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ASEAN Secretary General Stresses Implementing AFTA

BK0401074093 Kuala Lumpur BERNAMA in English 0307 GMT 4 Jan 93

[Text] Jakarta, Jan 4 (OANA-BERNAMA)—ASEAN secretary general Ajit Singh said ASEAN's first priority is to support the implementation of the newly-launched ASEAN Free Trade Area (AFTA) concept. Ajit said in the past, economic cooperation among the six ASEAN member states had not progressed satisfactorily.

In this regard, the ASEAN countries would have to further intensify efforts towards interdependency, competitiveness and bargaining position, said Ajit who took office as the first elected secretary-general of ASEAN on Saturday. The post was upgraded to a ministerial rank by the ASEAN heads of government during their last summit in Singapore a year ago.

Hong Kong Surpasses Thailand as SRV 'Gateway'

BK0401052693 Bangkok BANGKOK POST in English 4 Jan 93 pp 17, 26

[Text] Tokyo—The Thai Government and businesses take note: Hong Kong has taken over from Thailand as the main gateway for foreign investments entering Indochina. This was the latest pronouncement by the prestigious Nomura Research Institute based here.

"Vietnam's economic relations with South China will continue to grow stronger than those with Thailand," predicted C.H. Kwan, Nomura's senior economist and head of Asian research.

The institute puts Hong Kong and Taiwan together in the currently booming South China Economic Zone, from where investment flows into Vietnam already command a wide lead over those from other countries.

Meanwhile, Thailand is placed alongside Cambodia and Laos in Nomura's sub-regional grouping of the Indochina Economic Zone.

Judging from the flow of goods, capital and people, Mr Kwan said Vietnam's linkage with the South China Economic Zone will continue to outweigh th importance of its ties with Japan and the Indochina Economic Zone for some time to come.

Nomura's pronouncement put to rest, at least for the time being, the policy goal within Thai Government and business circles to develop Thailand as the regional gateway of economic activities such as investments, finance, and aviation for Indochina.

The goal was inspired by former prime minister Chatchai Chunhawan's well-known policy initiative to turn Indochina from a battlefield into a marketplace, which was first expounded more than four years ago.

Mr Kwan theorised that the Thai Government's reluctance to encourage a speedy shift of Thai capital to Vietnam was one of the reasons behind the small Thai investment profile in Vietnam today compared to other countries.

But in explaining why the Chatchai initiative has lost steam, other Bangkok-based analysts have blamed a combination of insufficient infrastructure and unclear laws within Vietnam itself (which hamper investments), plus a preoccupation among many Thai businessmen to strike short-term profits as against engaging in long-term investment schemes.

Since the introduction of its first foreign investment law in 1987, the Vietnamese Government has approved a cumulative US$3.8- billion worth of foreign investment projects as of last September.

Topping the list are Taiwan (US$784.5 million) and Hong Kong (US$596.8 million). Thailand was placed 12th, with a combined investment of US$62.2 million involving 20 mostly small-size projects.

Japan came in 7th with US$231, although officials at Japan's Ministry of International Trade and Industry said the figure would jump substantially this year due to new investments in oil and gas.

Mr Kwan said the overseas Chinese network plays an important role behind the larger investment flows from the South China Economic Zone to Vietnam.

A recent report published in NOMURA ASIA FOCUS said: "The former South Vietnam has had a long experience as a market economy prior to its unification with the North in 1975 and overseas Chinese (primarily from Chaozhou in Guandong Province) held substantial economic powers in that period."

"The existence of personal ties provides certain advantages to investors from Hong Kong and Taiwan. Thus, even in cases where Western companies are hesitant to invest because of lingering apprehension with the Vietnamese system, overseas Chinese may proceed to take business opportunities based on such personal relations and trust," the report added.

The "gateway" position on aviation has also been taken over by the South China Economic Zone which operates 14 weekly flights into Vietnam (nine from Hong Kong, four from Taiwan, and one from China) against 10 flights from the Indochina region (eight from Thailand and two from Laos).

Aside from the abundant low-cost labour in Vietnam, Nomura says Hong Kong and Taiwanese investments in Vietnam are also considered a hedge against China-related risks.

"Trading and investing in China carries various risks, such as future political instability and the cancellation of most-favoured nation treatment by the United States," the NOMURA ASIA FOCUS report said.

It added that Vietnam is particularly important to Taiwan as a counterweight to China, and the improvement of economic ties with Vietnam can raise Taiwan's resistance to Chinese pressure on a macroeconomic level.

Overseas Chinese investors who are sensitive to China's peculiar country risk factors view Vietnam as an alternative potential investment market, the report said. For the same reasons, Taiwanese investors may show their interest in the Philippines in the future.

Although there are a few large-scale projects, most of the Hong Kong and Taiwanese investments in Vietnam are small-scale and family-based. These are mainly in light industries such as garment processing, wood work, and food processing, some of which are not reflected in the official foreign-investment figures.

The Thai investments also follow a similar pattern, involving mainly food processing and gem mining and processing to a lesser extent.

China Competing With ASEAN for Japanese Capital

BK0401035993 Bangkok BANGKOK POST in English 4 Jan 93 pp 17, 26

[Text] China is emerging as a tough competitor for ASEAN for foreign investments and is likely to attract a larger increase in Japanese capital over the next three years.

This will result in either a stagnation or decline in Japanese investment flows to ASEAN over the same period.

But Japanese investments in China, alongside those from other foreign countries, will peak over the next 3-4 years due to projected constraints on China's infrastructural facilities.

Whether ASEAN will regain its attractiveness as a foreign-investment location by that time will depend on the early success (or failure) of the ASEAN Free Trade Area (AFTA).

But by that same timeframe, the Indochinese countries, particularly Vietnam, will be ready to accommodate large-scale Japanese and other foreign investments because crucial infrastructures will have been put in place.

These are the salient points of a medium-term Asian regional foreign investment outlook painted by the Tokyo-based Nomura Research Institute.

According to statistics compiled by Japan's Ministry of Finance, Japanese direct investment in the four major ASEAN economies (Indonesia, Malaysia, the Philippines, and Thailand) peaked at US$3.24 billion in 1990, slowed to US$3.08 billion in 1991 and trended down further to US$1.47 billion during the first half of 1992.

"The slowdown has been caused by infrastructural constraints in places such as Thailand and higher labour costs in Malaysia," said Nomura's senior economist and head of Asian research, C.H. Kwan.

Mr Kwan says the trend in the shift of direct foreign investment from China to the ASEAN countries after the Tiananmen incident in 1989 (in which pro-democracy demonstrators were ruthlessly suppressed by the Chinese military) has now been reversed.

The total inflow of direct investment into China surged 123 percent (year on-year) to reach US$14.7 billion (on a commitment basis) in the first half of 1992, surpassing the total inflow into the major five ASEAN countries (excluding Brunei) during the same period.

Nomura says the acceleration of economic reform and the open-door policy since early 1992 has led to a re-evaluation of China as a destination for direct investment by foreign companies.

The Chinese Government recently expanded the list of industries permitted for investment by foreigners to include service industries and extended the regions open to foreign investments beyond the coastal areas to major cities along the border regions and the Yangtze River.

Some of the mega-projects include a US$1.5 billion infrastructural development scheme in Wuhan planned by Hong Kong's Wharf Holdings and a US$4-billion, large-scale petrochemical plant in the northern province of Liaoning being implemented by a consortium of six major Japanese trading companies.

Even the Bangkok-based agribusiness and telecommunications conglomerate Charoen Pokphand Group is joining the foreign-investment influx in the vicinity of Shanghai. It has announced plans to invest in a mammoth, US$3-billion petrochemical complex in Linpoh.

Mr Kwan urges ASEAN countries to be more serious in their AFTA commitments. He says ASEAN will be able to compete with China for foreign investment only if AFTA becomes a success; otherwise the regional grouping will lose out to China in the long run. The five major ASEAN countries' GDP in 1991 totalled US$340 billion more than 80

of China's in the same yea. By reducing the barriers restraining the flow of goods, services, funds, and human resources, multinationals will find the region more attractive, both as a market and as an offshore production base.

Japan's Direct Investment in Asian Countries

	FY 1988	FY 1989	FY 1990	FY 1991	FY1992 1stHalf
	$m/%share	$m/%share	$m/%share	$m/%share	$m/%share/YY%
Asian					
NIEs	3,264/6.9	4,900/7.3	3,355/5.9	2,203/5.3	1,031/5.9/-9.6
S. Korea	483/1.0	606/0.9	284/0.5	260/0.6	133/0.8/-8.3
Taiwan	372/0.8	494/0.7	446/0.8	405/1.0	116/0.7/-49.1
Hong Kong	1,662/3.5	1,898/2.8	1,785/3.1	925/2.2	459/2.6/-4.6
Singapore	747/1.6	1,902/2.8	840/1.5	613/1.5	323/1.9/+12.9
ASEAN 4	1,966/4.2	2,782/4.1	3,242/5.7	3,083/7.4	1,475/8.5/+2.2
Indonesia	586/1.2	631/0.9	1,105/1.9	1,193/2.9	633/3.6/+53.6
Malaysia	387/0.8	673/1.0	725/1.3	880/2.1	474/2.7/+2.6
Philippns	134/0.3	202/0.3	258/0.5	203/0.5	121/0.7/+47.6
Thailand	859/1.8	1,276/1.9	1,154/2.0	807/1.9	247/1.4/-49.3
China	296/0.6	438/0.6	349/0.6	579/1.4	441/2.5/+79.3
U.S.	21,701/46.2	32,540/48.2	26,128/45.9	18,026/43.3	8,038/46.2/-8.3
Europe	9,116/19.4	14,808/21.9	14,294/25.1	9,371/22.5	3,509/20.2/-25.4
WORLD TOTAL					
	47,022/100.0	67,540/100.0	56,911/100.0	41,584/100.0	17,387/100.0/-12.0

Source: Japanese Ministry of Finance

ASEAN Standard, Quality Committee Established

BK3012034392 Bangkok THE NATION in English 30 Dec 92 p B1

[Text] As a support for the Asean Free Trade Area, Asean Economic Ministers recently agreed to set up the Asean Consultative Committee on Standard and Quality (ACCSQ), a body which will standardise Asean manufactured products.

The first meeting of ACCSQ will be on Feb 4-5 in Manila.

ASEAN Uniform Environmental Laws in Works

BK2812081292 Kuala Lumpur BERNAMA in English 0646 GMT 28 Dec 92

[Text] Kuala Lumpur, Dec 28 (OANA-BERNAMA)—The South East Asian (ASEAN) nations, with an agreement on having uniform drug laws already signed, are now working on having uniform environmental laws, ASEAN Inter-Parliamentary Organisation (AIPO) President Mohamed Zahir Ismail said Monday. He said ASEAN nations had agreed to a proposal on this matter and details were now being worked out.

Speaking to reporters after receiving a visit from speaker of the South Korean National Assembly Pak Yun-kyu at the Parliament House here, he said AIPO also aimed to have standard transportation and communication laws for ASEAN countries in the future. With more uniform laws, the aim of having an ASEAN parliament might be achieved, he added.

Mohamed Zahir, who is Dewan Rakyat (Parliament) speaker, said ASEAN countries were now amending their respective dadah [drug] laws in line with the agreement reached at the 13th AIPO meeting in Jakarta in September that all member countries have uniform drug laws. He said Malaysia would have to make some minor amendments while the Philippines would have the most number of amendments to make, including re-introducing the death penalty for drug traffickers.

The death penalty in the Philippines was abolished following the fall of President Ferdinand Marcos.

Indonesia-Malaysia Ties Should Avoid 'Trivial'

BK1912122092 Kuala Lumpur BERNAMA in English 0328 GMT 19 Dec 92

[Text] Kuching, Dec 19 (OANA-BERNAMA)—Malaysian Foreign Minister Abdullah Ahmad Badawi said Malaysia and Indonesia should give priority to important issues in the economic and political fields in their joint discussions to strengthen co-operation and understanding.

He said discussions on and resolution of such issues could enhance understanding necessary for the two nations to face future challenges.

Speaking to reporters after presenting a working paper at the Malindo III dialogue here, he said both parties should avoid long discussions on trivial issues.

There were still many important issues like peace in the ASEAN region, and co-operation at world forums, which needed immediate attention, he said.

At a dialogue session earlier, Abdullah said in reply to a Malaysian delegate that the language and "Rumpun Melayu" (Malay stock) issue would not affect good relations between the two countries.

He said the issue could be discussed at the Malindo dialogue or at other forums between the peoples of the two countries.

Indonesia's Manpower Minister Cosmas Batubara said Malaysia and Indonesia should be prepared to meet the challenges ahead in view of changes facing the world's economy. He said the ASEAN member countries were entering the era of industrialisation and the stages of progress differ from country to country.

Although most of the ASEAN countries depended on agriculture, the manufacturing sector was expected to grow more rapidly, he said.

He said Malaysia and Indonesia should therefore place more emphasis on efforts to improve productivity and quality.

Indonesia Says Bilateral Trade 'Increased Tremendously'

BK1912125492 Kuala Lumpur BERNAMA in English 1020 GMT 19 Dec 92

[Text] Kuching, Dec 19 (OANA-BERNAMA)—The value of trade between Malaysia and Indonesia increased tremendously in the last five years and this is expected to continue as a result of close cooperation between the two countries, an Indonesian official said Saturday..

Assistant Minister of Trade Dr. Sudrajad Jiwandono said until the end of last year the two-way trade valued at RM [ringgit Malaysia] 1846.25 million (US$1:RM2.5) compared with only RM581.75 million in 1987.

He said until the end of 1991 the value of Indonesia's import from Malaysia was RM991.75 million compared with Malaysia's import from Indonesia totalling RM854.5 million.

Malaysia was Indonesia's second biggest trading partner in the region after Singapore, he added in a working paper at the Malindo [Malaysia-Indonesia] III dialogue here.

Sudrajad said Indonesia was more keen to participate in outward- looking trade bloc than in regional and inward-looking one.

He said Indonesia hoped that by participating in the ASEAN Free Trade Area (AFTA) it could expand economic relations not only with countries in the region but also outside ASEAN.

Indonesia Urged To Deregulate Export-Import Laws

BK1912103892 Kuala Lumpur BERNAMA in English 0321 GMT 19 Dec 92

[Text] Kuching, Dec 19 (OANA-BERNAMA)—Indonesia should take measures to deregulate its laws to enable certain categories of Malaysian goods to be exported into that country, Malaysian Defence Minister Najib Abdul Razak said Friday.

He said that such measures could be in line with Malaysia's more liberal regulations which allow the import of Indonesian goods.

Both countries would benefit from this move, he told BERNAMA after presenting his working paper on "Malindo cooperation in facing the resurgence of the Asian Pacific economy" at the Malindo III dialogue in Kuching, in the east Malaysian state of Sarawak.

He said that the question of which party would benefit more from such a move should not be raised.

Najib cited as an example that Malaysia could purchase the CN-235 aircraft from Indonesia, but Indonesia's regulations disallow that country to import the the Proton Saga.

Najib said that Indonesia's action would reflect pragmatism so that both countries could develop cooperation that way mutually beneficial.

"Such an effort that could be made in the context of bilateral relations would be a meaningful move," he added.

On Bosnia-Hercegovina, he said that Malaysia felt that more firm action should be taken by the United Nations.

This includes the use of military force if Serbia did not cease its atrocities in that country, he added.

He said that if during the Gulf War, the United States had led a multi-national force, then in the context of the worse crisis in Bosnia-Hercegovina, the United States should use whatever strength it had to stop such atrocities or to restore peace.

"This is because from the aspect of destruction and loss of lives, what was happening in Bosnia-Hercegovina is far worse than what happened in Kuwait," he said.

Japan

Mori on Needed Compromise in GATT Talks

OW0501040793 Tokyo KYODO in English 0303 GMT 5 Jan 93

[Text] Tokyo, Jan. 5 KYODO—International Trade and Industry Minister Yoshiro Mori expressed the hope Tuesday that each negotiating nation will try to compromise and make progress to help bring the Uruguay Round of multilateral trade talks to an early conclusion. Mori told a news conference after a regular cabinet meeting, "It could be time for each negotiating country to proceed with the talks vigorously after presenting all of their problems."

The talks being held under the General Agreement on Tariffs and Trade (GATT) resumed Monday in Geneva after failing to meet the Christmas deadline set by GATT Director General Arthur Dunkel.

Dunkel Refuses Rice Ban Maintenance Request

OW0601024793 Tokyo KYODO in English 0232 GMT 6 Jan 93

[Text] Geneva, Jan. 6 KYODO—General Agreement on Tariffs and Trade (GATT) Chief Arthur Dunkel on Tuesday turned down a request from Japanese politicians to allow Japan to retain its ban on rice imports.

A nonpartisan group of five politicians, including Liberal Democratic Party Member Masahiko Komura, chairman of the Farm Committee of the House of Representatives, also visited the Geneva office of the U.S. trade representative to make a similar appeal. In the meeting with Dunkel, director general of GATT, the Japanese delegation argued that Dunkel's proposal at the Uruguay Round of global trade talks for the conversion of nontariff barriers on farm imports into tariffs would devastate Japan's agriculture. They cited Japan's low self-sufficiency in food, which stands below 30 percent, as one of the chief reasons for their request for special treatment for rice.

Dunkel replied that other countries would not agree to the requested exemption of rice from the tariffication scheme, especially as Japan benefits from free trade more than any other nation in the world.

The GATT-sponsored multilateral negotiations are set to resume Friday with unofficial talks on agriculture among 23 countries including Japan. The meeting will look into the details of a farm trade accord struck in November between the United States and the European Community (EC).

The draft accord was seen as removing the biggest obstacle to a successful completion of the six-year-old round, but both sides later disagreed over its interpretation due chiefly to strong opposition to the deal from France.

Tokyo Tries To Gauge U.S. Stance on Rice

OW0601104193 Tokyo KYODO in English 0956 GMT 6 Jan 93

[Text] Tokyo, Jan. 6 KYODO—The government on Wednesday sent high-ranking agriculture officials to the United States and Geneva to gauge the West's attitude to rice imports, a key issue in ongoing multilateral trade liberalization talks.

Jiro Shiwaku, vice agriculture minister for international affairs, left for Washington and Hisao Azuma, director general of the Agriculture Ministry's international affairs department, went to Geneva. Shiwaku is expected to meet U.S. agriculture officials and representatives of the U.S. Rice Millers' Association to be briefed on the attitude of the forthcoming Clinton administration to Japan's opposition to opening up its rice market to imports. Azuma will promote the Japanese position at informal agricultural talks starting in Geneva on Friday.

With the Uruguay Round of trade liberalization talks under the General Agreement on Tariffs and Trade nearing a conclusion, Japan has come under mounting pressure to abandon its long-standing rice import ban. Sending the two officials abroad is part of the Japanese Government's efforts to gain international understanding for its desire to make rice an exception in the trade liberalization talks. Japan insists it must be self-sufficient in rice, the nation's basic food staple.

Fund Planned for Soviet-Designed Reactors

OW0601124693 Tokyo KYODO in English 1050 GMT 6 Jan 93

[Text] Tokyo, Jan. 6 KYODO—The Group of Seven (G-7) industrial nations has come close to agreeing on a fund to upgrade safety at Soviet-designed nuclear reactors, paving the way to establishing it as early as this spring, a government source said Wednesday.

"The draft of an agreement is around the corner" said the source, who requested anonymity. The source said a final agreement remains subject to consultations with the U.S. Government under the Bill Clinton administration, adding that each G-7 nation is likely to announce its contribution to the fund before the Tokyo G-7 summit in July. Initial contributions to the fund are estimated at between 100 and 200 million dollars.

The G-7, which groups Japan, the United States, Germany, Britain, France, Canada and Italy, is to set up a fund within the European Bank for Reconstruction and Development, a London-based body founded to promote private initiatives in the former Soviet Union and East European nations, the source said.

The G-7 leaders agreed at the Munich summit last July on the need for a program to shore up the safety of Soviet-designed nuclear reactors, but failed to agree on how to finance it.

Worried about a second Chernobyl disaster, European nations have been pressing intensely for an international fund for the safety of 25 Soviet-designed nuclear reactors in the former Soviet Union and some East European nations. The Soviet-built Chernobyl nuclear plant in Ukraine caught fire and spewed radioactivity across Europe in 1986.

But Japan, the United States and Canada, fearful that the fund may be controlled by the Europeans, have been reluctant to make contributions to multinational fund and instead prefer bilateral aid. For instance, Japan and the United States are to build a science and technology center in Russia to improve safety standards at Russian nuclear plants.

On a bilateral basis, the G-7 and several other Western nations are to contribute nearly 400 million dollars to improve safety at Soviet-designed nuclear reactors between 1992 and 1993. But urgently required security measures have yet to be taken for the 25 reactors, including 15 Chernobyl-style ones, which the Western nations want to shut down immediately.

"The new fund will serve to supplement bilateral aid in this field," the government source noted. The cost of emergency measures to improve the safety at such reactors is estimated at some 700 million dollars over the next five years.

Preparations for Miyazawa's U.S. Visit Viewed

OW0601003893 Tokyo KYODO in English 0027 GMT 6 Jan 93

[Text] Tokyo, Jan. 6 KYODO—Japan will send a senior Foreign Ministry official to the United States from January 15 to sound out the timing of a visit by Prime Minister Kiichi Miyazawa after U.S. President-elect Bill Clinton takes office, government officials said Wednesday. Yukio Sato, director general of the Foreign Ministry's North American Affairs Bureau, will be in the U.S. for about four days, the officials said.

On his way back to Japan, Sato also plans to visit the U.S. Pacific Military Headquarters in Hawaii to exchange views on U.S. military strategy in the Asia-Pacific region, the officials said.

Miyazawa To Sound Out ASEAN Views

OW0601104293 Tokyo KYODO in English 1010 GMT 6 Jan 93

[Text] Tokyo, Jan. 6 KYODO—Prime Minister Kiichi Miyazawa will sound out southeast Asian countries during his trip to the region from Monday on issues they want taken up at the Group of Seven (G-7) summit of major industrial countries in Tokyo in July, a top Foreign Ministry official said Wednesday.

The official told reporters on condition of anonymity that soliciting the views of the six-member Association of Southeast Asian Nations (ASEAN) ahead of the July 7-9 Tokyo summit will be a major aim of Miyazawa's visit.

Miyazawa will visit Indonesia, Malaysia, Thailand, and Brunei between January 11 and 18. ASEAN consists of those countries plus the Philippines and Singapore. The official said Japan is keen to have this year's G-7 summit take into full account developments in Asia, especially since it will be the first such summit to be held in the region in seven years.

The Tokyo summit will be the third held in Japan, following those in June 1979 and May 1986. The annual gathering brings together the leaders of Japan, the United States, Russia, Britain, Canada, France, and Italy. Japan traditionally listens to the views of its Asian neighbors before summits and briefs them on the G-7 deliberations afterwards.

Recognition of Czech, Slovak Republics Viewed

OW0601112493 Tokyo KYODO in English 0939 GMT 6 Jan 93

[Text] Tokyo, Jan. 6 KYODO—The division of Czechoslovakia into two republics has brought a similar split of the former country's embassy in Tokyo, diplomats of the new Czech and Slovak republics said Wednesday.

Diplomats said the embassies of the two divorced republics will utilize the same three-story building in the former Czechoslovakian Embassy compound, employing separate entrances.

They said the Czech Republic has taken over a wing formerly comprising the main part of the former embassy, while the Slovak Republic has taken the wing which formerly housed its commercial section. Although diplomats will be working solely for their respective republics, the embassies have pooled telephone operators so that outside callers must specify which embassy they wish to deal with.

The status of the two embassies remains somewhat hazy, as Japan has not yet established diplomatic relations with the republics despite having recognized them upon their January 1 split. Foreign Ministry sources said diplomatic relations could be established around the end of this month.

Tokyo 'Expected' To Resume Talks With DPRK

SK0601012493 Seoul YONHAP in English 0113 GMT 6 Jan 93

[Text] Tokyo, Jan. 6 (YONHAP)—The Japanese Government has analyzed North Korean President Kim Il-song's New Year address and is convinced that the communist country is positive on the prospects for resumption of normalization talks between the two countries, the TOKYO SHIMBUN reported Wednesday.

Tokyo was, therefore, expected to tap the possibility of resuming the talks in March, after the inauguration of a new government in South Korea, the paper said. The talks have been suspended since November.

The talks would be resumed in mid- or late April, after Kim's 81st birthday April 15, because of the difficulty of having them before due to the South Korea-U.S. military exercise"Team Spirit" in late February to early April, the paper said.

Kim urged concerned countries to try to solve the Korean problem in a fair manner which satisfies the demands of the times and the principles of international justice, saying such attitudes would have a positive impact on improving ties with North Korea.

Supermarket Chain To Open Stores in PRC

OW0601040693 Tokyo KYODO in English 0329 GMT 6 Jan 93

[Text] Kumamoto, Jan. 6 KYODO—Nikonikodo, a regional supermarket chain operator, will launch a retail business in China and expand its hotel holdings there, company officials said Wednesday.

The Kumamoto-based company will build a department store in the city of Guilin, in the southern province of Guangxi, under a joint venture with a state-run commercial concern. The venture firm, called Guilin Nikonikodo Ltd., has already acquired a 7,000-square-meter site in the city center for the planned 10-story, 60,000-square-meter store, scheduled to open in 1995. The date of starting construction and the amount of total investment have yet to be decided, company officials said.

Nikonikodo also has bought a 25 percent stake in Inn Fine Hotel in Dalian, which will become the fourth base for its hotel business in China, following those in Guilin, Beijing, and Shanghai.

Unloading of Plutonium From Ship Resumes

OW0601033793 Tokyo KYODO in English 0322 GMT 6 Jan 93

[Text] Tokai, Ibaraki Pref., Jan. 6 KYODO—Unloading of a ton of plutonium from a Japanese ship that brought it from France resumed Wednesday morning at Tokai Port, 140 kilometers northeast of Tokyo.

The last of the 15 containers holding the plutonium in 33 specially designed casks was expected to be delivered by road later in the day to a storage facility two kilometers away. Eight of the containers were taken to the storage facility Tuesday after the ship, the Akatsuki Maru, arrived early Tuesday morning following a nonstop 58-day voyage. It arrived amid tight security and to protests from some 1,000 demonstrators in boats and on the shore. Unloading had to be suspended at sunset Tuesday afternoon because of a lack of night lighting at the port. The crew of the Akatsuki Maru stayed on board overnight to guard the plutonium, officials said. Some 20 members of a group opposing the plutonium shipment also kept a nightlong vigil at the dock.

Meanwhile, amid criticism against the plutonium shipment both in Japan and overseas, the Science and Technology Agency said Wednesday it will carry out broader public relations campaigns to convince the public of its safety.

The agency said it will hold international conferences and seminars inviting experts from abroad to show the public the safety and the importance of plutonium. The Akatsuki Maru's cargo was the first batch of about 30 tons of plutonium scheduled for transport to Japan from Europe in the next decade. The plutonium was reprocessed in France from spent nuclear fuel sent from Japan, which will not have its own commercial reprocessing facilities before the year 2000.

The first shipment of plutonium is destined for use in the prototype fast-breeder reactor "Monju" in Tsuruga, Fukui Prefecture, on the coast of the Sea of Japan. Japanese officials did not disclose the schedule and routes of the ship's voyage citing security concerns.

LDP's Kajiyama Urges Review of Constitution

OW0601125793 Tokyo KYODO in English 1117 GMT 6 Jan 93

[Text] Tokyo, Jan. 6 KYODO—Seiroku Kajiyama, secretary general of the ruling Liberal Democratic Party (LDP), urged Wednesday a review of the Constitution so as to adapt to drastic social and economic changes in Japan.

Touching on calls from some members in the ruling and opposition parties for review of the Constitution, Kajiyama said in a speech, "although the basic principles will remain intact, we must review the Constitution every 50 years in light of rapid progress seen throughout the world."

When the current Constitution was established in 1946, Japan did not envision it would become the political and economic superpower it is today, he said.

Noting Japan now faces some constitutional constraints, he said, "it is necessary for the sake of the people to review the Constitution."

On the subject of Japan's international contribution, the LDP secretary general said it is important to interpret Article 9 of the Constitution, which bans the use of force to settle international disputes, to allow further personnel and material contribution to U.N.-authorized peacekeeping efforts.

"In the mid- to long-term we must study how to interpret the connection between the United Nations Charter and the Constitution, and how to conform to the ultimate concept of world peace and happiness," Kajiyama said.

North Korea

Pyongyang Radio Praises Kim Il-song New Year Speech

SK0301130093 Pyongyang Korean Central Broadcasting Network in Korean 1340 GMT 2 Jan 93

[Unattributed talk: "Let Us Vigorously Accelerate the Grand Socialist March by Following the Leadership of the Party and the Leader"]

[Text] By cherishing endless and deep emotion and joy in having received the New Year address delivered by the great leader Comrade Kim Il-song to all people on the occasion of the New Year 1993, the people across the country are resolved to thoroughly implement the leader's New Year address and to achieve a new brilliant victory in the revolution and construction in the new year.

In his New Year address, the great leader Comrade Kim Il-song summarized brilliant victories and achievements made by our party and people last year in the revolution and construction. He put forward militant tasks for further accelerating our revolutionary cause in the new year.

The respected leader's New Year address is a programmatic guideline enabling us to effect a new revolutionary upsurge in the socialist construction in the new year while coping with the violent trends of the time with initiative. It is a great program which brightly indicates the most correct method for breaking through difficulties and obstacles laid on the road of struggle for national reunification.

The brilliant program for the new year put forward by the great leader gives great confidence and courage to our people and is vigorously inspiring all party members and people to a new struggle and new feats.

As taught by the great leader Comrade Kim Il-song in the New Year address, the year 1992 was a year of proud victory and glory during which our party and all people vigorously demonstrated justness and invincibility of the cause of socialism of our own style by overcoming difficulties and trials firmly united as one.

Last year the imperialists and reactionaries persistently maneuvered to isolate and suffocate our Republic, the stronghold of socialism, and to eradicate our revolutionary cause. However, they were unable to block the march of our people who advanced firmly united with the party and leader.

The fiercer the enemy's challenge, the more vigorously our people advanced by holding high the revolutionary banner of chuche and remaining firmly united with the party and leader. By demonstrating the sense of endless loyalty and devotion to the party and leader, our people achieved great victories in all domains of socialist construction.

Through the difficult and complex struggle, our people have been more disciplined, and the unity and cohesion between the party and the popular masses have been furthermore consolidated. As a result, a foundation for a self-reliant national economy has been firmly solidified so as to survive by its own strength under any difficult condition.

We came to have greater political, ideological and material strength, thereby we can view a brilliant future full of greater victories.

Such brilliant victories and successes attained by our party and people last year in the revolution and construction are a precious fruition of the wise leadership of the great leader and dear leader Comrade Kim Chong-il.

Thus, through proud achievements made last year in all domains of the revolution and construction, our people came to keenly realize that our party and leader are the best, and our socialism is the best. Our people have again engraved on our mind the precious truth that if we advance along the road indicated by the party, we will be ever-victorious.

Indeed, the year 1992 was a significant and proud year during which our people more keenly realized the precious truth and belief that when we progress by upholding the great leader Comrade Kim Il-song, and by following the wise guidance of the dear leader Comrade Kim Chong-il, our revolutionary cause will be ever-victorious without fail.

Today when we greet the hopeful year of 1993, we face a honorable task to further glorify our socialism by cherishing a lofty pride of victors, and we face a greater ambition for the future, to vigorously accelerate the revolution and construction in the new year.

In the New Year address, the great leader Comrade Kim Il-song has taught: It is a glorious task for our party and people to defend, to protect and to further glorify our socialism by crushing various challenges and hindering maneuvers by the imperialists and reactionaries.

This year is a significant year which marks the 40th anniversary of victory of the great Fatherland Liberation War. To further consolidate, develop and glorify our socialism in the significant new year, all party members and workers should continue to struggle by cherishing the unswerving and indomitable spirit of struggle demonstrated by our people during the days of arduous war.

As the great leader stressed in his New Year address, during the Fatherland Liberation War, our people and People's Army, strongly united around the party, displayed the indomitable spirit of struggle and incomparable spirit of sacrifice, struggled like heroes, and thus defeated the imperialists' armed aggression, honorably defended the fatherland's freedom and independence, and demonstrated our people's revolutionary spirit throughout the world. When we fearlessly and vigorously fight against difficulties with this struggle spirit, we will be able to resolutely crush any enemy maneuvers and to further consolidate and develop our socialism and endlessly glorify it.

In his New Year address, the great leader presented the revolutionary slogan "Let us, all the people and the entire Army, be single-mindedly united to complete the socialist cause to the end," a slogan that correctly reflected the requirements of the era and the revolutionary development. This is a militant slogan that reflects our people's unanimous aspirations and demands and their firm belief and will. In hearty response to this revolutionary slogan, all the party members and workers must display the revolutionary spirit of self-reliance and arduous struggle and popular heroism, vigorously accelerate socialist construction, and more highly display the superiority of our country's socialism.

As the respected and beloved leader Comrade Kim Il-song fully explained in his New Year address, our country's socialism is the most excellent popular masses-centered socialism that implemented the immortal chuche idea, and our people, as genuine masters of state and society, are enjoying the most valuable and happiest lives in political, economic, and cultural fields. They are enjoying all the other fields under this superior and advanced system to their hearts' content.

Defending and glorifying our socialism, which we won through a prolonged bloody struggle, is the only way for our people's honorable lives and victory. To defend our socialism and brilliantly complete it to the end, our people must always firmly adhere to our party's revolutionary principles and lines on socialist construction.

As the great leader stated in his New Year address, our party's revolutionary principles and lines on socialist construction are firm and consistent. We must firmly adhere to the principles of chuche in ideology, self-dependence in politics, self-support in economics, and self-reliance in national defense, whose justness and vitality have been clearly proven in the trials of history; firmly adhere to the general line of building socialism; and more vigorously carry out the ideological, technological, and cultural revolutions.

Political and ideological unity among the popular masses are a source of our might and a decisive guarantee for all victories. We must vigorously carry out the ideological revolution again in this year to strongly arm all the party members and workers with the chuche idea. We must also further strengthen single-minded unity between the party and the popular masses and thus further consolidate our revolution's main forces like a rock.

In his New Year address, the great leader Comrade Kim Il-song said that fulfilling our people's earnest desire for everyone to eat rice and meat soup, wear silk clothes, and live in a tile-roofed house is an important goal of socialist construction. Also, he stressed that we must vigorously accelerate socialist economic construction this year and thus further consolidate the self-reliant economic basis and rapidly improve the people's material and cultural lives. This is filled with the warm far-reaching plan of the great leader and our party to fulfill our people's age-old earnest desire at the earliest possible date and their boundless noble love for the people.

To fulfill this noble plan of the party and the leader at the earliest possible date, the entire party and all the people must rise up to more vigorously accelerate socialist economic construction this year.

Key areas where we must concentrate our efforts on in economic construction this year are the coal, electric power, and metallurgical industries. In particular, giving top priority to the coal industry and, thus, decisively increasing coal production is an important requirement for resolving the problem of power shortages and normalizing production in the metallurgical industry and various other sectors of the people's economy. We must invest extensively in the coal industry and other leading sectors of the people's economy this year, provide them with all the conditions for production on a priority basis, and thus score upsurges in production in these sectors first.

We must give priority to light industry, transportation, and agriculture on a state level this year to score great innovations in this sector. By so doing, we must increase the production of people's consumer goods on a large scale, satisfactorily meet daily-growing demands for transportation in the people's economy, and decisively increase agricultural production.

This year, we must build 30,000 housing units in the capital and many housing units in cities and rural areas to provide the people with more cultural living conditions.

We must vigorously carry out the cultural revolution this year and make new progress in sports and all the other fields of cultural construction. Toward this end, all our intellectuals must have high pride as the party's revolutionary warriors, display their creative talent and wisdom, and, thus, positively contribute to socialist cultural construction.

In preparation against the enemy's aggression maneuvers, we must make efforts to strengthen the country's defense capability. We must thoroughly implement our party's chuche-oriented military policies, strengthen our revolutionary Armed Forces, and further consolidate the all-people's defense system to resolutely defeat any aggression maneuvers by the enemy and reliably defend the fatherland's security and our revolutionary cause.

To successfully fulfill the grand tasks assigned to us for this year, all guiding officials must give top priority to political work as required by the Chongsan-ri spirit, the Chongsan-ri method, and the Taean work system and, thus, vigorously inspire the masses into struggles. All the officials must also scrupulously carry out operations and organizational work to implement the party's lines and policies and fill all the fields and units of socialist construction with the revolutionary spirit of unconditionally implement the party's policies to the end.

In the New Year address, the great leader, touching on great successes attained last year in the struggle for national reunification thanks to the consistent efforts of our party and the government of the Republic, clearly expounded on important principled issues for overcoming crisis and obstacles laid on the road of national reunification by the splittists' maneuvers.

As the great leader again elucidated in the New Year address, the principle of national independence is the basic principle for national reunification which should not be conceded.

Proceeding from the principle of national independence, our party and the government of the Republic will in the future continue to make efforts to achieve national reunification in a manner of confederal system based on one nation, one state, two systems and two governments.

In the New Year address, the respected leader said that if any one comes with a sincere attitude toward truly resolving the issue of national reunification from the stance of national independence, we will sit face to face with him to discuss the reunification issue frankly and candidly without questioning his past, and will make joint efforts with him to achieve the cause of national reunification. Thus, he opened the door wide for dialogue for reunification.

He stressed that the issue of Korea's reunification is not only a national question which our nation should resolve as the main force but is also an international issue for which countries concerned should actively cooperate with a sense of responsibility. He noted that the countries concerned should boldly discard outdated, one-sided policies of the cold war era and should fulfill the responsibility and duties they have for the Korean issue.

The basic principle and reasonable measures which our party and the government of the Republic consistently maintained in the issue of national reunification are a great program for national reunification which can be advanced only by the respected leader Comrade Kim Il-song, the great sun of the nation, who made every effort only for prosperity and growth of the fatherland and for national reunification with a chuche-based outlook on the nation to realize the national independence through firm unity of all people.

Although many difficulties and obstacles are laid on the road to national reunification, the cause of national reunification of our people, who are advancing by following the principle of national independence elucidated by the great leader, will win victory without fail.

In the New Year address, the great leader Comrade Kim Il-song clearly stated that although the prevailing international situation is flexible and complex, the independent foreign policy of our Republic based on the ideal of independence, peace and friendship is invariable.

Our party and the government of the Republic will firmly maintain the independence amid any complex situation and will remain faithful to the revolutionary principle and to international obligation. Our party and the government of the Republic will make all efforts to develop friendship and cooperative relations with the people in many countries of the world, including socialist countries and nonaligned countries, in a bid to realize independence of the whole world.

Since the great leader brightly indicated in the New Year address the road along which our party and people will advance this year, the future of our revolution, our nation, and mankind's cause of independence is further bright.

Indeed, our revolutionary cause is just and our nation's socialism which was built by the great leader and which is being glorified by dear comrade leader is invincible and ever-victorious.

As the respected leader stressed in the New Year address, as long as there exist the chuche idea which illuminates our future, the party's correct leadership which leads the people to victory, and the people who uphold the party's leadership with endless loyalty and who attained unity and cohesion, no enemy can block the road of our people who are vigorously advancing by upholding the banner of socialism.

Let us all vigorously and confidently accelerate the New Year's march in firm unity with the party and the leader for accomplishment and victory of the cause of socialism of our own style by upholding the great leader Comrade Kim Il-song's New Year address!

NODONG SINMUN Comments

SK0401104893 Pyongyang KCNA in English 1009 GMT 4 Jan 93

["NODONG SINMUN on Accelerating Country's Reunification on Principle of National Independence"—KCNA headline]

[Text] Pyongyang January 4 (KCNA)—NODONG SINMUN in an editorial today says the idea of achieving reunification on the basis of national independence and the principle and ways for reunification, its embodiment, which was reclarified by the great leader Comrade Kim Il-song in his New Year address is a highly important guideline which makes it possible to solve the question of Korea's reunification most quickly by the motive force of the nation and a just policy which clarifies the way to fairly settle the Korean problem in conformity with the trend of the changed times and the principle of international justice.

The editorial goes on:

As reclarified by the great leader Comrade Kim Il-song in his New Year address, our country should be reunified by means of confederacy based on one nation, one state, two systems and two governments on the principle of national independence. Reunification through confederacy is a most reasonable and confident way to establish national independence by realizing national reunification fairly in the interests of the North and the South under the present situation of our country where the different ideas and systems exist in the North and the South.

The great leader Comrade Kim Il-song says if anyone takes a sincere attitude to really settle the question of the country's reunification on the standpoint of national independence, we will meet him or her, without questioning his or her past, and discuss the question of national reunification open-mindedly and make joint efforts to realize the cause of the country's reunification. This is of weighty importance. This reflects the broad magnanimity of the respected leader Comrade Kim Il-song to help all the compatriots, irrespective of their past doings, take the road of patriotism to achieve national reunification and realize national independence.

Koreans in the North and the South and abroad should turn out dynamically in the struggle to realize reunification by means of confederacy by rejecting the idea of depending on foreign forces and uniting on the principle of national independence.

The question of Korea's reunification is a national issue which our nation should solve as the motive force and, at the same time, it is an international one for which the countries concerned should take responsibility and cooperate in every possible way.

The countries concerned should respect the spirit of the agreement between the two sides in conformity with the requirement of the situation in which the North and the South have adopted and effectuated the historic agreement and the joint declaration on denuclearisation and should actively help our nation solve the reunification question independently and peacefully. This will be beneficial not only to the Korean people but also to themselves and will exert good influence on improving the relations between the peoples of our country and these countries.

Pak Song-chol Views Speech

SK0401052693 Pyongyang Korean Central Broadcasting Network in Korean 2100 GMT 3 Jan 93

[Statement by Pak Song-chol, member of the Political Bureau of the Workers Party of Korea Central Committee and vice president, in Pyongyang on 3 January—read by announcer]

[Text] Upon hearing the historic 1993 New Year address of the great leader Comrade Kim Il-song, the sun of the nation and lodestar of national reunification, amid their boundless emotion and excitement, our people are now overflowing with firm resolve and conviction to effect new upsurges in socialist construction. They will surely hasten the historic cause of national reunification this year under the party's wise leadership.

In his New Year address, the great leader Comrade Kim Il-song has proudly summed up our people's achievements of the previous year in smashing the imperialists' and reactionaries' antisocialist and antirepublic plots, and in demonstrating the justification and invincibility of their socialist cause, while firmly uniting as one around the party and leader. He has expounded the glorious tasks to further safeguard, to adhere to, and to glorify socialism of our own style in this year, the year of the 40th anniversary of victory in the Fatherland Liberation War. He has also newly presented basic principles and our principled position to resolve the reunification issue.

Since I am confident that all tasks and plans in his New Year address provide programmatic guidance for further deepening and developing socialism of our own style with the might of our people's single-hearted unity and for successfully carrying out the national reunification cause with our people's chuche-oriented might, I warmly support and welcome them.

The great leader Comrade Kim Il-song has taught: There are still numerous obstacles and difficulties in the road of national reunification, but our people, who are moving forward under the principle of national independence, will surely win victory in their cause for national reunification.

In his New Year address, the great leader has stressed that national reunification should be realized based on the principle of national independence.

We should resolve the national reunification issue based on the principle of national independence. This is our people's right for independence. We cannot yield the right even an inch. This is also a starting point and lifeline, enabling us to realize national reunification in conformity with the people's interest and aspiration.

Concerning the national reunification issue, it is necessary to terminate outside forces' domination and intervention. It is also necessary to establish national independence on a nationwide scale. It is necessary to eliminate distrust and conflict between the North and South to achieve national harmony.

Trying to establish national independence and to realize national harmony by relying on outside forces means, basically, that one rejects national independence, does not want reunification, and (?perpetuates) the division.

We cannot resolve the national reunification issue apart from the principle of national independence. This has been proven in the history of the reunification movement throughout half a century. This has been an important lesson learned from it.

The historic 4 July Joint Declaration based on independence, peaceful reunification, and great national harmony was issued in the early 1970's. The North-South agreement and joint denuclearization declaration were adopted and effectuated in the early 1990's. All of these agreements and declarations were not realized due to the South Korean authorities' consistent policy of relying on outside forces.

Every time a tendency toward national reconciliation and unity grew between the North and South and signs of trying to independently solve the reunification problem emerged, outside forces intervened and crushed such a tendency and such signs. However, the South Korean authorities teamed up with those outside forces, danced to their tune, disregarded national agreements, and walked a treacherous road.

Even after adopting and effectuating the North-South agreement, the South Korean authorities have recently decided to resume the Team Spirit joint military exercise against their fellow countrymen with outside forces under an unreasonable pretext. This is an antinational, antireunification crime of trying to fulfill their insidious purposes with the help of outside forces after abandoning the principle of national independence.

A reunification that our fellow countrymen hope for is not a reunification designed to live subjugated to other people, but a reunification designed to realize national independence.

In his New Year address, the great leader said: If we had intended to live subjugated to other people, we would have had no reason to go to all the trouble of waging a difficult struggle for national liberation for a long time or wage struggles against outside forces' aggression and intervention after the liberation in spite of sacrifices.

This is absolutely just.

The South Korean authorities have babbled about dialogue and reunification, even while disregarding the principle of national independence. This mocks and defiles the nation and, consequently, is tantamount to the statement that they have no intention to achieve reunification. If the South Korean authorities truly intend to solve the problem of reunification in compliance with national ideals, they should for now discard their policy of relying on outside forces and implement the policy of national independence. They also should sincerely implement the North-South agreement hand in hand with their fellow countrymen, instead of committing acts against their fellow countrymen in the embrace of outside forces.

All the fellow countrymen and all the people of the world admit that the most reasonable and most just plan to achieve the country's peaceful reunification based on the principle of national independence is a confederal system based on one nation, one state, two systems, and two governments.

In his New Year address, the great leader stated: If anyone assumes a sincere attitude of solving the problem of the fatherland's reunification based on the stand of national independence, we will frankly discuss national reunification face to face with him, without questioning his past, and make joint efforts to achieve the cause of the fatherland's reunification.

This is an expression of the great leader's magnanimity and boundless benevolence with which to give anyone who has committed wrongful acts an opportunity to commit patriotic acts.

In his New Year address for this year, the great leader also clearly stated: The problem of Korea's reunification is not only a national problem that our fellow countrymen must solve on their own initiative but also an international problem that countries concerned must responsibly and positively cooperate to solve.

The Korean division is not a consequence that our fellow countrymen willingly chose, but it is a byproduct of the cold-war era that outside forces imposed on our fellow countrymen. Therefore, countries concerned must take responsibility and cooperate to bring an end to the division as a matter of course. Toward this end, countries concerned must throw away their wrong policies of the cold-war era as demanded by the present era and our fellow countrymen.

Militarily and economically threatening and pressuring us is not an attitude of removing the legacies of the cold-war era but an attitude of running counter to the trend of the times and rejecting the Korean people's will. For the United States, Japan, and other countries concerned to help, in good faith, our people solve the Korea problem according to the demand of the times and the principle of international justice is a way to fulfill their responsibility and duty, and doing so would exert a favorable influence on improving relations between our country and those countries.

In this year's New Year address, the great leader made clear the basic principles and positions which must be adhered to in solving the reunification problem. This has opened a new phase for removing obstacles to reunification and more vigorously accelerating the cause of the fatherland's reunification.

Our party and the Government of the Republic will make every effort to sincerely implement the North-South agreement and hasten the country's reunification based on the principle of national independence, which the great leader presented.

I urge all the Korean compatriots in the North and South and those who live abroad, who love the country and the nation, to uphold the plan to reunify the fatherland, which the great leader made clear in his 1993 New Year address, and positively rise up in a pan-national struggle to reunify the country with the nation's united strength from the stand of national independence.

I also express my expectation that the world's progressive people who treasure justice and peace will extend full support and encouragement to the Korean people's struggle to reunify the country.

Kim Chong-il Work on WPK Leadership Quoted

*SK0301093793 Pyongyang KCNA in English
0901 GMT 3 Jan 93*

["WPK Leadership is Vital To Exalting Dignity of Socialism"—KCNA headline]

[Text] Pyongyang January 3 (KCNA)—NODONG SINMUN today comes out with a by-lined article upon the lapse of one year since the dear leader Comrade Kim Chong-il published the treatise "The Historical Lesson in Building Socialism and the General Line of our Party" on January 3, 1992.

The article titled "Leadership of Our Party is Vital To Exalting Dignity of Socialism" quotes the dear leader Comrade Kim Chong-il as saying:

"Now it is an urgent historical task to learn a lesson from the prevailing situation, reconstruct the socialist movement on a new basis and lead the cause of socialism to an upsurge."

The article notes:

Today our party, deeply conscious of its historical mission for the cause of socialism, is vigorously struggling to defend socialism.

Great feats performed by the Workers' Party of Korea in the struggle for defending the cause of socialism find expression, above all, in that it reviewed the historical lesson of the socialist movement in our age and provided an ideological and theoretical guideline for advancing the socialist cause on a new basis.

Our party, basing itself on a profound analysis of all events, big and small, which took place in the international political arena and the socialist movement in the past, has indicated a correct guideline for effecting an upsurge in the revolutionary movement.

The main emphasis should be put on strengthening the motive force for building socialism and on enhancing its role, the qualitative differences between socialism and capitalism should be properly recognized and the socialist principles be steadfastly maintained and solidarity based on independence should be strengthened among the socialist countries—this is the lesson drawn by our party in the historical struggle for socialist construction.

The reason why the ruling parties under socialism in some countries were collapsed is that they failed to consolidate the organizational and ideological basis of the party and its mass foundations and to adhere to the revolutionary principles in party building. If a true revolutionary party of the working class is to be built, it is imperative to keep the socialist idea pure and correctly solve the question of the continuity of leadership. This idea and theory of our party is of weighty significance in accomplishing the cause of the building of a revolutionary party and advancing the socialist cause at present.

Great feats performed by the WPK in the struggle for defending the socialist cause find expression also in that it has set a shining example in the building of socialism to make a substantial contribution to the advance of the socialist movement.

Our party, aware of its heavy mission for the time in history, has vigorously struggled to consolidate and develop our-style socialism and bring its advantages into full play.

Our party's general line of thoroughly carrying on the three revolutions, ideological, technical and cultural, while strengthening the people's power and constantly enhancing its function and role, is the most scientific and revolutionary line that indicates the law governing socialist construction and the principles and ways to be maintained in this course.

Our party has consistently implemented the general line of socialist construction, invariably sticking to it, so as to build the best socialism centred on the popular masses which confirms to both the aspiration of the time and the intrinsic demand of socialism.

The WPK's exploits in the struggle for advancing and completing the cause of socialism find another expression in that it has resolutely smashed the anti-socialist moves of the imperialists and creditably defended the dignity of socialism under any circumstances.

Our party, believing in our people united in one mind behind the party, has powerfully pushed ahead with socialist construction, answering the counterrevolutionary offensive of the enemy with a revolutionary offensive on the basis of a superb strategy and tactics.

The revolutionary principle and anti-imperialist stand that our party has maintained in the course of steadfastly defending socialism, standing face to face with imperialism for scores of years remain unchanged not only today but in the days ahead.

The WPK has been able to perform great feats in advancing the socialist cause because the party itself is powerful, possessed of invincible leadership ability and might.

All the victories and achievements made by our people in socialist construction and its bright prospect are unthinkable apart from the guidance of the dear leader Comrade Kim Chong-il who is leading our revolution in the van with an indomitable will and outstanding leadership.

KCNA Criticizes Japanese Plutonium Shipment

SK0601043993 Pyongyang KCNA in English 0412 GMT 6 Jan 93

[Text] Pyongyang January 6 (KCNA)—The Japanese ship Akatsuki-Maru entered Tokai port in Ibaraki Prefecture, Japan, Tuesday morning nearly two months after she left a French port in early November last year, carrying a large amount of plutonium that can be used as raw material of nuclear bombs, a foreign press report said.

The shipment of a large quantity of plutonium by the Japanese authorities has invited strong protest and denunciation from the governments and public opinion of many countries for its dangerous nature.

The Japanese authorities, however, have transported it to their country through a sea route, defying this protest.

This was a very provocative nuclear parade threatening the world people.

The fact shows that the Japanese authorities' frenzy for nuclear armament has reached a very dangerous stage.

The Korean people and the world's peaceloving people are watching with heightened vigilance the Japanese reactionaries' moves for nuclear armament.

Officials Attend Reception Hosted by Cuban Ambassador

SK0601044793 Pyongyang KCNA in English 0424 GMT 6 Jan 93

[Text] Pyongyang January 6 (KCNA)—Cuban ambassador to Korea Juan Jose Leon Vega hosted a reception Tuesday on the 34th anniversary of the victory of the Cuban revolution.

Invited to the party were Vice President Pak Song-chol, vice-premier of the administration council and Foreign Minister Kim Yong-nam and chief of the general staff of the Korean People's Army Choe Kwang who are Politburo members of the C.C., the Workers' Party of Korea, and officials concerned.

The Cuban ambassador noted in his speech that the Cuban people have made enormous achievements in education, defence, health care and other domains over the past 34 years, smashing the obstructive moves of the U.S. imperialists and their stooges. The Cuban people will as always defend their revolution, uphold the socialist idea and vigorously advance against all manner of pressure and aggression, he declared.

The ambassador said the deep-rooted friendship between Cuba and Korea tempered like steel through a long historical period is based on the intimacy between Comrade Fidel Castro Ruz and Comrade Kim Il-song, the great leader of the Korean people.

The Cuban people have always supported the Korean people's just cause of the independent and peaceful reunification of the country and will maintain this principled policy till Korea has been reunified into one, the ambassador said, and added: We denounce the scheme of Seoul and the United States to resume the "Team Spirit" joint military maneuvers, an aggressive war exercise against the DPRK.

Speaking next, Vice President Pak Song-chol noted that the Cuban people are firmly defending the motherland and the gains of the revolution and courageously striving to complete the socialist society under the difficult conditions in the "special period of peace time." The victory of the Cuban revolution, the changes in Cuba and the dignity and vigorous advance of socialist Cuba are unthinkable apart from the correct leadership of the Communist Party of Cuba headed by respected Comrade Fidel Castro Ruz, he emphasized.

He said the Korean people sincerely rejoice as over their own over the achievements of the fraternal Cuban people in the socialist revolution and construction and highly appreciate them.

The friendship between the Korean people and the Cuban people is a solid and viable friendship established by the great leader Comrade Kim Il-song and respected Comrade Fidel Castro Ruz, he said, and declared: We will continue to tighten the traditional bonds of unity, cooperation and solidarity between the two peoples as intended by the dear leader Comrade Kim Chong-il.

Castro Sends Gift to Kim Il-song

SK0501053993 Pyongyang KCNA in English 0434 GMT 5 Jan 93

[Text] Pyongyang January 5 (KCNA)—Comrade Kim Il-song, general secretary of the Central Committee [C.C.] of the Workers' Party of Korea and president of the Democratic People's Republic of Korea, was presented with a gift by Comrade Fidel Castro Ruz, first secretary of the C.C., the Communist Party of Cuba, president of the Council of State and president of the Council of Ministers of the Republic of Cuba, on the occasion of the New Year.

The gift was conveyed to the Korean ambassador to Cuba on December 29 by the protocol coordinator of the general department of external relations of the C.C., the CPC.

Daily Stresses Masses-Oriented Party Building

SK0201125893 Pyongyang Korean Central Broadcasting Network in Korean 0018 GMT 30 Dec 92

[NODONG SINMUN 30 December special article: "To Build the Masses-Oriented Party is the Basic Policy of the Building of Our Party]

[Text] While generally elucidating the basic principles on building the chuche-oriented revolutionary party in his immortal classic, "On the Fundamental Questions of Revolutionary Party Building," the dear leader Comrade Kim Chong-il clearly defined that to build the party as a mass-oriented party of the working class is the basic policy of the building of our party.

The dear leader Comrade Kim Chong-il has noted: Today when socialism has become an aspiration of a broad range of the popular masses and when the social class basis for socialism has remarkably been strengthened, a party struggling for the socialist cause should represent all popular masses' interest and should be built to be a mass-oriented party rooted in the broad working popular masses.

Whose interest the party represents is the most basic and principal question in building a party.

The party is a political organization that represents interest of a certain class and social group and that struggles to realize it.

When a party is known as to which social group's interest it represents, the nature and mission of the party can clearly be defined, and principles and methods of the party building can be elucidated.

Our party elucidated a unique theory on building the working class party as a party representing interest of the broad popular masses, for the first time in history, thus preparing the ideological, theoretical basis to constantly strengthen the party in accordance with the practical demand of the revolution in our era.

That the party of the working class becomes a party representing interests of the broad popular masses means that it becomes the party that advocates and realizes the demand and aspiration for independence of not only the working class but also all classes and strata, including farmers and working intellectuals.

This does not mean to weaken the party's class nature. The party can embody better the working class' demand and can harden its class basis only when it represents the broad popular masses' interest and struggles for it.

Therefore, this ideological theory our party is the most revolutionary theory that enables the party of the working class to strengthen not only its class nature but its mass-oriented nature.

Our party's ideological theory on strengthening and developing the party of the working class to be a mass-oriented party representing the broad popular masses' interest is a unique ideological theory reflecting the demand of our era.

A long time has passed since the working class and its vanguard party appeared on the stage of history. During this period, the theory on building the party of the working class has constantly developed in accordance with the demand of the time, and according to this, parties of the working class have been built.

In the past, it was common to regard the party as an organized troop of class that advocates a certain class's interest. Therefore, when the mission of the party of the working class was mentioned, its protection of the class demand and interest of the working class used to be mainly emphasized.

The practice of our era demands that the party be strengthened to be a new-type party which is thoroughly mass-oriented. Our era is the chuche era, a new era which is fundamentally different from the past era.

The basic feature of the chuche era lies in the fact that all the masses in all classes and strata, including workers, farmers, and working intellectuals, become masters of their own destinies and actively participate the revolutionary movement for independence and that their struggle is being displayed unprecedentedly wide and intensively.

Therefore, in order for the working class party to accelerate an upsurged revolutionary movement in our era, the party itself should be built into a strong leading organization that can rally the popular masses of all strata and which can lead their struggle in a uniform manner. This can be realized only by building the party into the masses-oriented party that represents the interests of all the popular masses.

Our party's unique party-building theory, which reflects today's new era demand, is an invaluable guide in building the working class party that struggles for socialism and independence. Our party has been built into a new-type revolutionary party of the working class that represents the interests of the popular masses of broad segments. Accordingly, our party has incessantly strengthened blood ties with the popular masses. Our party has performed the immortal achievements before the time and the revolution with invincible might.

The hammer, sickle, and brush inscribed in our party's red flag clearly show our party's masses-minded and revolutionary characteristics and the uniqueness of the chuche-oriented party- building theory.

Our party's ideology and theory of building the working class party into the party that represents the interests of the popular masses of broad segments are the most just party-building theory, which represents the legitimate demand for development of society and revolution. The validity of our party's ideology and theory of building the working class party is based on a profound analysis of the mutual relations between the class-oriented demand of the working class and the independent demand of the popular masses.

The working class is the class that realizes independence at the highest level. The working class' inherent nature demands that all the people free themselves from exploitation and suppression, lead an independent and creative life while helping and leading each other. From the outset, the working class raised it as its class mission to realize such a demand and has waged blood struggle.

The class-oriented demand of the working class is consistent with the demand of all classes, strata, and popular masses that are related with a social progress. The intent and demand of the popular masses of all strata are entirely consistent with those of the working class. Thus, it is natural that the working class party should represent the interests of all the popular masses.

It is impossible for the working class and the party to think of other interests apart from the interests of the popular masses. Without realizing the interests of the popular masses, the working class party can never realize its class-oriented mission.

According as society develops, the common feature, consistency, between the class-oriented demand of the working class and the independent demand of popular masses becomes clearer.

The formation of the social class greatly changes in the course of social development. It is inevitable that according as society develops, the working people engaged in manual labor will greatly decrease, and the working people engaged in mental labor increase. However, there is, in essence, no distinction in that both the working people engaged in mental labor and the working people in manual labor create and share social wealth through their labor.

The demand and interests of workers, peasants, and working intellectuals who try to create a new life through their own diligent labor come to have a firm common feature as society develops. Thanks to such a common feature, the solidarity and cooperation among them become closer and firmer.

To build the working class party in accordance with such a demand of social development, the working class party should be built into a party that represents the interests of all working class, including the working class.

The validity of the theory of building the working class party into the masses-oriented party that represents the popular masses' interests finds expression in accurately embodying the inherent nature of socialist society and the legitimate demand for the development of socialist society. Socialist society is the society that embodies the demand of the working class. Its inherent characteristics are expressed in the fact that all the people become masters and everything in society serves the popular masses.

In socialist society where the popular masses become the masters of the state sovereignty and the production means, all the people become the socialist working people. Therefore, their demand and interests are consistent. Thus, in socialist society where the popular masses' demand becomes a social common demand, the working class party should duly be a party that represents interests of the popular masses and the common interests of society. This issue is raised as a more important issue in the legitimate course of the development of socialist society in which the peasants and the working intellectuals change into the working class by degree and in which the class distinction between the working class and the peasants disappears by degree.

What is most important in consolidating and developing socialist society is to establish the main forces of the revolution. The might of socialism precisely means the might of chuche. It is the popular masses who develop economy and technology and who manage and operate the socialist system. Thus, without preparing the popular masses to be the main forces of the revolution, the superiority of socialism cannot be brought into play, nor can the cause of consolidating and developing socialism be defended and safeguarded.

To establish the strong main forces of socialist society, the party should rally all social classes and strata, including the working class, around the party. This can be realized only when the party represents the interests of the popular masses of broad segments and when it steadfastly struggles for their interests.

Historical experiences show that if the working class party in socialist society failed to fully defend the popular masses' interests, it would lose the masses' support and trust and could not adhere to the revolutionary principles in revolution and construction.

The theory of building the working class party into the party representing the popular masses' interests has great theoretical and practical meanings in building the working class party in our era and in implementing the socialist cause. Because our party has put forward the unique ideology and theory, new understanding of the working class party has been established. Accordingly, a way for strengthening and developing the working class party as a new-type revolutionary party that nominally and virtually serves the people and as the ever-victorious iron-willed party with the invincible militant strength is laid.

South Korea

'No Progress' in U.S.-DPRK MIA-POW Talks

SK0601023093 Seoul YONHAP in English 0212 GMT 6 Jan 93

[Text] Seoul, Jan. 6 (OANA-YONHAP)—North Korea has promised to cooperate in repatriating remains of U.S. servicemen from the Korean war (1950-1953) but is still reluctant to allow a joint investigation team to make an on-site investigation, diplomatic sources said Wednesday.

At the 29th counsellor-level talks between Washington and Pyongyang in Beijing on Dec. 23, the United States repeated its demand that the two sides immediately form a joint investigation team to search for the U.S. POWs and MIAs in North Korea, the sources said.

The talks, held soon after U.S. Senator Bob Smith visited Pyongyang for first official negotiations on the MIA/POW issue, made no progress, however, with North Korea rejecting a joint investigation team and trying to throw the burden on China, they said. Pyongyang officials claimed that China was mostly in charge of running the prisoner of war camps and that Beijing would know the whereabouts of POWs and missing American soldiers. Officially, 8,177 Americans are still unaccounted for from the Korean war.

Washington plans to urge full-fledged MIA negotiations at the Military Armistice Commission (MAC) secretaries meeting this month, but the sources said Pyongyang was not likely to accept the idea since it demands government-level talks instead.

North Trying To Form Pro-DPRK Organization in China

SK0601093693 Seoul CHUNGANG ILBO in Korean 6 Jan 93 p 2

[Text] The number of North Korean residents escaping to China across the North Korea-China border is increasing rapidly, and there is frequent contact between the ROK and Koreans residing in China. In order to cope with this, North Korea is trying to form a pro-North Korean organization consisting mainly of pro-North Korean figures in Yanbian, China, where the Koreans reside in groups. We are interested in this.

On 6 January the relevant authorities as well as businesses that are advancing into Yanbian said that North Korea is taking great pains to organize a pro-North Korean organization (tentatively named the "Korea-China Friendship Association") similar to the pro-North Korean Residents' League in Japan because ROK people, including businessmen, visit China frequently, and because the exchange of personnel and material between the ROK and China is becoming active.

Some of the 3,000 North Korean nationality holders living in Yanbian are making secret preparations to form this organization. High-ranking North Korean officials are assisting behind the scenes.

These North Korean officials are engaging in espionage by providing North Korea with information on the movement of South Korean businessmen and the pro-North Korean figures.

Because of this, our 50 to 60 businesses that are currently making inroads into Yanbian and the pro-North Korean figures are showing signs of conflict.

North Korea is trying to form the pro-North Korean organization for a variety of reasons. Many fellow countrymen in Yanbian are visiting the ROK since the establishment of ROK-China diplomatic relations. A pro-ROK atmosphere is being created with the result that news on South Korea is reaching North Korean residents; thus, North Korea is keenly aware of impending crisis, including unrest in its system.

The number of the North Korean residents escaping to China across the North Korea-China border is rapidly increasing. These fugitives sneak into China, including Yanbian, and make their living by working at hard manual labor while eluding the Chinese authorities' vigilance.

North Korean authorities are putting up barbed wire and mobilizing watch dogs at night, thus thoroughly guarding its border. North Korea has also recently done away with "one-day tours."

North Seeks Companies' Aid To Buy Grain, Oil

SK0401004193 Seoul YONHAP in English 0020 GMT 4 Jan 93

[Text] Seoul, Jan. 4 (YONHAP)—North Korea, facing extreme food and energy shortages, has asked South Korean trading companies to help it purchase grains and crude oil, industry sources said Monday.

Pyongyang has asked Samsung Co., Daewoo Corp., Lucky-Gold Star International and Hyundai Corp., to supply grain and crude oil from third countries and told them it will pay in commodities such as zinc and raw iron and steel materials, the sources said.

As North Korea has virtually run out of foreign exchange, it could not buy grain directly from countries, including China, its closest ally, that demand settlement of their trade in cash.

The sources said that since early last year, North Korea has been trying to make deals through branch offices of the South Korean trading companies in Beijing and Hong Kong, but it stepped up its requests since November 1992.

North Korea sought to buy, among other things, Vietnamese rice, Chinese corn and American or Canadian wheat in the form of barter trade. North Korea did not ask to buy South Korean rice for reasons unknown, the sources said.

In principle, supplying grain to North Korea from third countries does not require South Korean government approval, but since rice and other grains are strategic materials, South Korean trading firms would not comply with North Korean requests unless they received the government's understanding, the sources said.

Kim Yong-sam, Clinton Aides To Meet 'Next Week'

SK0401123393 Seoul YONHAP in English 1221 GMT 4 Jan 93

[Text] Seoul, Jan. 4 (YONHAP)—Close aides to President-elect Kim Yong-sam and U.S. President-elect Bill Clinton are expected to have their first formal contact in the U.S. next week to discuss ways to further promote science and technical cooperation between their countries.

The occasion will be the first Korea-U.S. forum on science and technical cooperation opening in Washington D.C. on Jan. 12.

Kim Yong-sam's camp will be represented at the forum by Rep. So Sang-mok, chief of the first policy coordination office of the majority Democratic Liberal Party.

Those attending it from the side of the American President-elect will be Tom Schneider, advisor on science and technology, and Rep. George Brown Jr., chairman of the House Science, Space and Technology Committee.

The two sides are expected to reach an accord on the need to continue to promote technical exchanges and tie-up between the two countries under the upcoming new administrations if only to jointly explore new markets.

The forum is also likely to agree on the creation of a Korea-U.S. technology development foundation to expedite bilateral cooperative relations in the areas of economy and technology.

U.S. Businessman Said Mediator in Talks; Kim Visit Mooted

SK0301091693 Seoul KBS-1 Radio Network in Korean 0800 GMT 3 Jan 93

[Report by correspondent Chon Yo-ok from Tokyo]

[Text] Japan's SANKEI SHIMBUN reported on 3 January that the chairman of a U.S. company with a branch office in Seoul is secretly acting as a go-between to bring about South-North summit talks.

Quoting a well-informed source on Korean peninsula affairs in Seoul, SANKEI SHIMBUN reported that Mr. Murphy, the chairman of (Nico) Company and a former official of the U.S. Defense Department, visited Seoul in October 1992 to get Kim Yong-sam's opinion, who at that time was the strongest candidate for the presidency, on the possibility of holding South-North summit talks with North Korean President Kim Il-song in March or April of 1993.

SANKEI SHIMBUN reported that Murphy proposed that if the place for the summit talks is not decided upon between Seoul and Pyongyang, it can take place in either New York or Washington.

It also reported that David Chang, an executive of (Nico) Company, was denying the report that Murphy was playing the role of mediator in South-North summit talks. In addition, the newspaper reported that nevertheless (Nico) Company is deeply involved with North Korea through trade, and that Murphy is showing a positive response on the possibility of President Kim Il-song visiting the United States.

Discord Between Kim-Il-song and Kim Chong-il Rumored

932C0046A Seoul PUKHAN in Korean Nov 92 pp 98-99

[Commentary by editorial staff]

[Text] As certain western diplomatic sources, having visited North Korea, are disseminating intelligence reports that there were civil riots in a few provincial cities against the North Korean Government currency devaluation, the assessment by specialists is that "inflation and material shortages are bringing the situation into a deep crisis, supposing that such information is verifiable," and this assessment may contain implications of considerable significance.

Some analysts are beginning to propose the idea that North Korea might face a political instability before the year was out, based on an observation that a discord seems to be surfacing between Kim Il-song and his eldest son, Kim Chong-il, accelerated by economic chaos.

Rumor of Riot Surrounding Currency Devaluation

The North Korean Government placed a ceiling on the amount of the old currency per household that could be exchanged to the new currency at 500 wons (some speculate at 399 wons) when it decreed and exercised its currency devaluation on 15 July of this year [1992]. The result of this was to restrict a worker from free use of his own fund, as the old currency above the ceiling was required to be deposited to the central bank system despite that 500 wons were an average of five-month wages of a worker. It is reported that citizens angered by the severe restriction on available fund use started a riot and the disturbance was spreading into all regions.

Although it is reported that the North Korean Government, taking the situation seriously, had altered its devaluation plan to allow people to exchange currencies three times within the year and just about calmed down the situation, the leading opinion among analysts is that "this signals disintegration of the political regime" (by a well informed specialist on current affairs of Korean peninsula), observing that "it is quite unusual for the totalitarian North Korean Government to offer such an alternative plan which indicates that the regime is undeniably losing its grip on its populace."

(World Youth Student Conference) held in 1989 was said to have cost North Korea nearly 5 billion dollars in hard currency and had a bearing on the economic decline, later. Also, it is reported that the regime expended 1 billion dollars for Kim Il-song's 80th birthday celebration in April of this year, bringing about the shortage of basic consumer goods for its citizens.

Against this backdrop, goods such as food items were flowing in from Yanbian Korean Autonomous Prefecture in Jilin Province in China which boarders with North Korea and traded in black market at prices several times the official ones; the profit from such tradings were said to be channelled into Korean merchants from Jilin Province and Korean compatriots from the region stationed in North Korea.

Currency devaluation was the final strong-arm tactic aimed at curbing inflation and eradicating the black market activities. Meanwhile, there is an opinion that inflation was caused not simply by shortage of goods alone but also by errors in the government policies.

Last February, the North Korean Government put into effect an ordinance which raised workers' wages by 43 percent, social security pension by 51 percent, government rice procurement price by 26 percent and government corn procurement price by 45 percent, in commemoration of Kim Chong-il's 50 birthday. "This measure was meant to be epoch-making to increase a worker's real earnings which had been declining because of inflation; it, however, backfired making inflation worse. Obviously, there does not seem to be a coherent economic policy." (analysis by another specialist).

Current economic condition faces a heightened severity of material shortage which began last summer, as the flow of goods from Jilin province of China discontinued as a result of the devaluation.

Father-Son Discord, Theory of Fundamental Policy Conflict

The voices that there exists a discord between father and son of the Kims are being heard increasingly louder.

Last July, a team of the Japanese Socialist Party legislators who were visiting North Korea reportedly presented the cadre of Kim-Il-song faction with a question regarding the transfer of power to the eldest son, Kim Chong-il, during a meeting with them, and the replying comment was that "Kim Chong-il was but one of several of the cadre."

Also reported is that the positions held by Kim Il-song faction and Kim Chong-il faction concerning the U.S. troops in South Korea seems to be 180 degrees apart from each other. There appears to be areas of fundamental disagreement as observed in his insistence on the U.S. troop withdrawal by Yun Ki-bok, secretary of the Korean Workers Party [KWP] and a member of Kim Il-song faction, during the Panmunjom meeting in August of this year, contrasting to the declaration by Kim Yong-sun, director of international affairs of the KWP who is believed to be of the Kim Chong-il faction, that "the U.S. troop withdrawal is not a condition for reunification of North and South Korea" at the international symposium held in June of this year.

It is expected in future that there would be an increasing tune of discord between the two factions, Kim Il-song and Kim Chong-il, concerning policy matters toward South Korea, the United States, and Japan, such as the subject of north-south mutual nuclear inspections.

The problem [for the North Korean cadre] is in their apprehension that there may be a significant dissatisfaction being built-up within the North Korean military. Military exercises are reportedly being affected by Russia's termination of the flow of energy supplies; it is also reported that the higher-echelon military personnel stay on in a given position for a long period due to lack of transfer and/or promotion in the party cadre structure. No one could be sure that there should not be any concern for a coup de-tat by dissatisfied Armed Forces, once the North Korean Government allows the entry of the mutual nuclear inspection team into North Korea. Although it is difficult to state definitely of the crisis the North Korean regime is currently in without the accurate intelligence about it, it may be said, judging from the information provided by specialists, that the regime faces a great deal of difficulty.

Cost of Reunification Stirs Debate

932C0050A Seoul MAEIL KYONGJE SINMUN in Korean 14 Nov 92 p 9

[By reporter So Yang-won: "Cost of Reunification: Some Argue 'the Earlier, the More,' Others Say 'the Less'"]

[Text] How much will each citizen have to pay to have "our cherished desire for reunification" fulfilled? Research centers and scholars in this country and even foreign institutes interested in the Korean reunification issue came up with estimates of the total cost of reunification, ranging from $40 billion to $1.3 trillion. Amid these varying numbers, the people's concerns are also on the rise daily. To help deepen research and enhance awareness of the public, here is a comparison and analysis of dissertations on "the Korean Peninsula reunification cost" published so far. (Editor's note)

Of the reunification cost, different institutes or scholars show different estimates. This is unavoidable because the differences in hypotheses they employ at the outset in defining time and method of reunification, concept of cost, and levels of development of North and South Korea in each phase of integration would inevitably lead to vast gaps in the end results.

However, despite such tremendous differences, they all agree that the benefits of reunification far outweigh the cost.

Yi Yong-son, Yonsei University professor, has reached the conclusion that the benefits are about 2.5 times larger than the cost. In his view, if North Korea, while proceeding with gradual reforms, should be granted aid from South Korea proportional to the latter's GNP [Gross National Product] growth, North and South Korea would arrive at the same level in per-capita GNP within 42 years. In this case, the total opportunity cost, he claims, will be $841.8 billion while the profits will reach a whopping $2 trillion 44.4 billion level.

His conclusion is shared by Sin Chang-min, Chungang University professor. On the assumption that North Korea shifts to a market economy and that reunification comes in the year 2000, Sin estimates the cost over the next 12 years at $1 trillion 320 billion. He estimates the profits at $3 trillion 854.8 billion, nearly three times the cost.

Besides, Sin thinks that items difficult to measure at the moment—profits from an economy of scale, the complementary effect of the combination between South Korean technology/capital and North Korean labor/natural resources, and from increases in international bargaining capabilities—will grow even larger than anticipated.

Other scholars and institutes would not object to their conclusion that benefits of reunification are greater than the cost. Needless to say, it is foreseen that the psychological stress on the part of the public caused by increased unemployment and sudden price rises amid the temporary confusion from reunification will be something not to be taken lightly. But, in what is seen as a fair argument, they maintain that such anticipations do not outweigh the value of reunification. From the viewpoint of non-economic factors alone, including the recovery of the integrity of the national history, an end to the state of war and the reunion of separated families, benefits outweigh the cost.

In this connection, Ku Pon-tae, policy section chief of the Board of National Unification, says that "In order for us to secure competitiveness in the intensely competitive international environment, it is necessary to create a national economic community based on the unity of the 70 million people of North and South Korea." "Reunification could cause some aftereffects," he emphasized, "but they are incomparably minor compared with benefits we can draw from reunification."

Meanwhile, the public concern is focused on the contrast between the two positions, one holding that reunification will cost less when pushed through gradually and the other contending that a speedier reunification is supposed to cut the cost that much. The Korea Development Institute [KDI] and Prof. Yi Yong-son hold to the first position, while Prof. Sin Chan-min and Pae Chin-yong, researcher of the Korea Institute of Economic Policy (KIEP), subscribe to the second. The gap basically stems from the difference in perception of the economic status of North Korea.

KDI and Prof. Yi Yong-son, citing the example of Germany subjected to serious aftereffects from an overhasty unification, argue that the cost would soar should North Korea's present system collapse suddenly.

Noting that the gaps between North and South Korea in the size of population and income are far greater than in the German case at the time of its unification and that the North Korean economic difficulty is growing as time passes by, they say that a delay in reunification would inevitably drive up the cost; based on this logic, they insist that the North Korean economy should be lifted to a certain level through gradual increases in investment before economic integration is carried out. The British EIU [Economist Intelligence Unit] also observes that if North Korea carries out gradual economic reforms and its opening successfully, it will reduce the cost of reunification.

In contrast, Dr. Pae Chin-yong maintains that "since reunification would take place between the two states in all fields of political, social, and economic factors closely combined, it is realistically difficult to carry out economic integration alone on a gradual basis. The longer the period of reunification gets, the faster will its cost increase," he insists. He cites the cases of East European nations currently in the severe throes in their transition to a market economy. These countries, having lost the functions of their controlled economies, were plunged into uncertainty; while struggling to shift to a market economy in this state, they are suffering much greater pains than they would be from more radical reforms. He estimates the total cost of North-South economic integration at $448 billion if carried out in the year 2000. It will rise 70% to $762.1 billion in the year 2010, he says.

Prof. Sin Chang-min issued a similar view. He argues that the more the time of reunification is delayed, the larger will become the absolute amount of the foreign capital to be introduced, increasing the burden of interest payment progressively. The economic integration, therefore, should be carried out as early as possible, he says.

This gap in opinion over the time factor of reunification comes from the difference in perception about the future of the North Korean economy. The two conflicting views, therefore, lead to a clear-cut conclusion.

If North Korea should carry out reforms and its opening to the outside world successfully, setting itself on the right track for growth, there would be no need to hasten economic integration deliberately. On the other hand, if the North Korean economy—which has recorded a negative growth for the second consecutive year—should present no prospects of improving, it would be better to carry out reunification before the North-South economic disparity grows further.

Therefore, our government is urged to conduct basic studies on how reunification should be pushed to reduce the cost and minimize aftereffects. Especially, it should carefully weigh options about the time of reunification by economic logic rather than political, formulating the necessary measures correctly.

The final questions are how we should interpret the differences in the cost estimates by individual institutes and scholars and what will be the real cost after all. According to their estimates, the burden on each of the 40 million South Korean people varies as much as from $1,000 (7.5 million won at a rate of 750 won to the dollar; by THE FAR EASTERN ECONOMIC REVIEW) to $33,000 (24.75 million; by Prof. Sin Chang-min). The variance comes from the difference in hypothesis and method of estimation used. Consequently, it is in fact impossible to come up with a correct estimate hitting the nail on the head.

However, what will happen if reunification should come suddenly when we have no funding plans for it? Is it possible to burden the people with the enormous cost at one time? After all, we cannot afford to overlook the fact that East and West Germany carried out their economic and social integration only eight months after the Berlin Wall collapsed and the East German economy first tasted West Germany's material affluence and high living standards.

Therefore, the government should take a straight look at the actual conditions of North Korea and figure out expenses for reunification according to scenarios considered best. On that basis, it should make broad studies on ways and means to secure the required funds while minimizing the burden on the people.

The German unification deeply inspired our people, heightening their expectations of North-South reunification. However, because of the unexpectedly severe aftereffects in its wake, the reunited Germany now finds itself in the greatest crisis since World War II. Its budget deficit has snowballed to 1 trillion 300 billion marks. Consequently, the Kohl government, breaking its pre-Unification pledge against a tax increase, raised income and corporate taxes effective 1 July. Furthermore, it is known to be studying a hike in the management tax for unified Germany effective 1995. The prices of consumer goods and house rents are skyrocketing while the threat of unemployment continues. And now faced with another tax increase, the German people are furious over what they see as a slipshod estimate of the unification cost. Their anger is even escalating to resentment of the unification itself, stirring arguments over how much more they would be asked to pay in the future.

We should learn a lesson from the German case and make thorough preparations for reunification in every specific area including the cost computation.

Reunification Cost Estimates by Institutes, Scholars

Source	Integration Year	Total Cost (in billion dollars)
KDI	2000	85.9-97.1 for gradual;234.2-244.6 for rapid
An Tu-sun, Seoul City University	2000	338
Sin Chang-min, Chungang University	2000	1,320
Pae Chin-yong, KIEP	2000	448
Hwang Ui-kak, Korea University	1995	777.6
Yi Yong-son, Yonsei University	2034	841.8
Harvard University Population Develop. Inst.	2000	250-500
Japan Long-Term Credit Bank	200	200
FAR EASTERN ECONOMIC REVIEW	2000	40-300
British economists (EIU)	2010	1,089.7

Northeast Asia After ROK-PRC Summit

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[By Sin Sang-chin, National Unification Research Institute senior researcher: "ROK-PRC Summit Contributes to Post-Cold War Order in Northeast Asia—A Look at Key Issues after the Normalization"]

[Text] **Result, Significance of the Summit**

The ROK and China established diplomatic relations at the ambassadorial level on 24 August, ending the confrontation between them. For its gravity, the normalization can be seen as an event not only improving the bilateral ties of the two nations but also having a major impact on the international order in Northeast Asia and on relations between North and South Korea.

Following the establishment of the diplomatic ties with such a far-reaching influence, President No Tae-u officially visited China for four days from 27 through 30 September. Considering that the two countries fought against each other in the Korean War and continued to be adversaries thereafter, the normalization of relations and the visit will clearly have a tremendous influence on ROK-PRC relations and developments in Northeast Asia. In view of the potential Chinese influence on Pyongyang, one may say that the president's visit has paved the way for the ROK to take the initiative in the cause of peaceful reunification.

During his stay in Shanghai and Beijing, President No visited the old building of the former Korean Provisional Government in Shanghai and Hongkou Park (the historical site of patriot Yun Pong-kil's heroic deed) and held talks with Chinese leaders including Jiang Zemin, Li Peng, and Yang Shangkun. He also signed agreements on economic relations and exchanged views with the Chinese leaders on future relations between the two countries and developments on the Korean Peninsula and in Northeast Asia.

Especially, in the summit between President No and Chinese President Yang Shangkun, the two countries reached accords in the assessment of Korean Peninsula and Northeast Asian developments to a certain extent, as well as on reestablishment of the bilateral relations. It can be said that this has paved the way for closer ties between the two nations as political and economic partners.

In the summit, the focus was on economic cooperation, China's role as mediator in North-South Korean relations, and on the North Korean nuclear issue.

The two countries, first of all, were known to have agreed on the need of denuclearization for the Korean Peninsula. Citing the North Korean nuclear as the biggest obstacle to the stability in Northeast Asia and to North-South Korean relations, President No asked China to play a positive role in realizing North-South mutual inspections of nuclear facilities. In response, China, while showing no basic change in its position, made clear that North Korea would accept the proposed mutual inspection plan in the not distant future in an effort to end its economic difficulty and international isolation. (The existing Chinese position is that the mutual nuclear inspection issue should be resolved by dialogue and negotiations between North and South Korea, not by international pressure.)

In this connection, President No cleared the way for China to try to persuade North Korea, by stating that the ROK will help North Korea improve relations with the United States and Japan should it accept mutual nuclear inspections. At the same time, the ROK and China agreed that stability on the Korean Peninsula is a key to that in Northeast Asia. To advance its own reform programs, China wants stability in the regions surrounding it, including the Korean Peninsula. Therefore, with regard to the North Korean nuclear weapon program that has become an impediment to that stability, China is now more likely to exert its influence toward Pyongyang's acceptance of the mutual inspection plan at an early date. In other words, one may say that the ROK, through the summit, laid the basis for China's indirect support for bringing North Korea's nuclear arms program to a halt and inducing its opening to the outside world.

At the same time, the summit was of great significance in that it marked a turning point in furthering ROK-PRC economic cooperation. The two countries have replaced the private-level "trade agreement" and "investment guarantee agreement" with government-level accords and newly signed the "Agreement on Cooperation in Science and Technology" and "Agreement on Creation of Joint Committees on the Economy, Trade, and Technology." Therefore, the summit was also of important significance in that it put in place institutional devices for expanded economic cooperation.

However, the summit decided to put off an "Agreement on Preventing Dual Taxation" and an "Aviation Agreement" against expectations. It shows that the two countries still have some major obstacles yet to be removed between them regarding future large-scale economic cooperation.

Meanwhile, in the summit, the ROK again failed to obtain an official apology from China for its participation in the Korean War, an issue that caused controversies earlier at the time of the normalization after the two sides issued conflicting statements. It was known that the two countries, with a view to developing forward-looking relationship as partners, avoided making specific references to matters relating to the Korean War. However, building genuine cooperation requires the two sides to formally close the book on the past; in this sense, it is necessary for China to offer an apology for its role in the Korean War.

Judging from the Chinese stance at the summit, Beijing seemed to have made no major change in its position toward North Korea. Over the proposed mutual inspections of nuclear facilities, an issue of major concern for the ROK, Beijing merely repeated what it had been saying. Also, it showed no change at all in its position concerning its role in the Korean War and its existing treaties with North Korea.

Impact on Northeast Asia, North-South Ties

While the international order in Europe entered a post-Cold War era with the German unification and the collapse of the Soviet Union and East European Communist Governments, vestiges of the Cold War lingered on in Northeast Asia as seen in the tension between North and South Korea, the nonexistence of diplomatic ties between the ROK and China and between North Korea and Japan, and the Japan-Russia territorial dispute. Consequently, a climate of Cold War-type confrontation continued to dominate relations between countries in the region.

Besides their ideological difference, the ROK and China were belligerents in the Korean War. The two nations have also belonged to the different camps, respectively led by the United States and the Soviet Union, and looked upon each other as an enemy. And now, the normalization between them is expected to have a significant impact on other nations in the region that were in confrontation in the Cold War era. For all these factors, the ROK-PRC summit can be viewed as an event that signaled the dawning of a post-Cold War era in the international order in Northeast Asia.

First of all, the result of the ROK-PRC summit would possibly work to speed up the normalization of Japan-North Korea and U.S.-North Korea relations. While officially welcoming the ROK-PRC normalization and summit, Japan actually showed an attitude of being wary of it. Japan decided that the ROK and China were jointly attempting to hold Japan in check. From this point of view, it is impossible to rule out the possibility of Japan turning more flexible in its normalization talks with North Korea and hastening diplomatic relations with it in an effort to maintain and expand its influence on the Korean Peninsula. Furthermore, with a view to steering the negotiations to a successful conclusion, Japan could abandon its precondition that North Korea dispel the suspicion about its nuclear program once and for all.

Secondly, The ROK-PRC summit has led to the possibility of North-South Korean relations improving more quickly. During the visit, President No reportedly strongly asked for China's cooperation in achieving a settlement on the North Korean nuclear issue, and China responded favorably. Although the response was indirect, China expressed its position of not supporting nuclear arms development by North Korea. Also, since the ROK-PRC normalization, there has been no change in the Chinese influence upon North Korea amid their continued close relationship, giving rise to speculations that the progress in ROK-PRC ties following the summit will bring on a favorable climate for China to play a role for the opening of North Korea.

Thirdly, there is also the possibility that U.S.-North Korea relations have improved, too, since the ROK-PRC normalization and summit. North Korea, especially, stressed the need for better relations with the United States, in a NODONG SINMUN article on 25 August, the next day of the ROK-PRC normalization. Also, it successively held the 24th and 25th counsellor-level contacts with the U.S. side in Beijing on 9 and 14 September in an effort to develop relations with the United States. Although the United States, preoccupied with the presidential election, places no policy priority on North Korean relations, it tends to show a flexible stance as seen in its low assessment of the North Korean nuclear development capability.

These developments surrounding the Korean Peninsula since the ROK-PRC normalization and summit have contributed to expediting a post-Cold War order in Northeast Asia.

On the other hand, however, there is the possibility of the latest development in ROK-PRC relations exerting a negative influence on the Northeast Asian order. Especially, as was pointed out, Japan views the ROK-PRC normalization as part of a joint strategy to hold Japan in check. Relying on its economic strength, Japan has lately been striving for a greater political and military influence. Meanwhile, since the United States and the former Soviet Union made strategic readjustments, China has been building up its naval and air power with the intent of filling a possible vacuum in the Asian-Pacific region. Viewed from this context, the ROK-PRC normalization could possibly lead to an intensified China-Japan competition on the Korean Peninsula and in Northeast Asia.

Next, it is possible that North Korea, driven by the feeling of international isolation, turns to a military adventure. While it is doubtful whether the "frustration-to-offensive theory" in psychology can be applied directly to the North Korean pattern of action, the possibility cannot be ruled out of North Korea launching a military attack on the ROK as "a last-ditch struggle."

Third, the ROK-China normalization led to the cessation of diplomatic relations between the ROK and Taiwan. As a result, it gave Taiwan, a long-time ally of ours, a great diplomatic shock. The ROK was the only country in Asia that had maintained ambassadorial-level relations with Taiwan. Through its dollar diplomacy (which China denounces as silver ammunition diplomacy), Taiwan has recovered diplomatic relations with a few countries in recent years, demonstrating the potential of its "resilient foreign policy." But the ROK-PRC normalization in effect ruined such diplomatic efforts of Taiwan. The ROK-PRC normalization and summit thus proved a turning point in ROK-Taiwan relations, with no improvement expected while President No is in office at least. On the other hand, Taiwan, with a view to recovering some of its diplomatic losses and gaining a more solid footing for future bargaining with the ROK and China, is seeking a rapprochement with North Korea. Consequently, the ROK-PRC normalization and summit in a way could work as a negative factor to the Northeast Asian order and North-South Korean relations.

Next, in other developments, though not directly linked to the ROK-PRC normalization and summit, the Bush administration decided on 2 September to sell 150 F-16 fighter planes to Taiwan, and Russian President Yeltsin canceled his scheduled visit to Japan. The change in Washington's China policy and the worsening of Russo-Japanese relations are, in effect, giving rise to instability in Northeast Asia. At any rate, when viewed from this point, the ROK-PRC normalization and summit has evidently failed to produce a positive influence on the stability in Northeast Asia.

Finally, against the anticipations, the ROK-PRC normalization and summit generated no major change in the Sino-North Korean ties nor any particular improvement in North-South Korean relations. China is known to have promised North Korea arms support and shipments of food and crude oil as a price of its normalization with the ROK. Also, there is the possibility of Kim Il-song visiting China in November. If all these things should be carried out, the goals of the "Northern Policy" could hardly be achieved for the time being. Therefore, it is advisable not to hastily expect that the ROK-PRC normalization will accelerate the process of North-South rapprochement and reunification.

ROK-PRC Prospects, Direction of ROK's China Policy

Meanwhile, it is expected that obstacles to regular economic exchanges between the ROK and China will be removed as a result of the normalization and summit and that the exchanges will speed up tremendously. An "Aviation Agreement" being concluded by the year end will open a direct air route between Seoul and Beijing. Also, China will likely sign an "Agreement on Prevention of Dual Taxation" in the near future to encourage expanded ROK investments in China. At the same time, it will ease its complicated immigration controls for ROK companies, as well as its restrictions on the opening and activities of branches in China. The diplomatic normalization is expected to first of all erase the psychological uncertainty of the pre-normalization days, opening the prospects of the bilateral trade reaching a $10 billion level by the end of 1992 and lifting China to among the ROK's three top trading partners.

In the political and military areas, the ROK and China are expected to discard their past enmity and develop cooperation on a case-by-case basis. Especially, because of its need for economic cooperation with the ROK for development of its own economy, China will likely assume a moderate posture toward the ROK politically and militarily and continue to expand the scope of cooperation. Furthermore, in case Japan should increase its political and military influence in the region, the ROK and China could find the need for political and military cooperation even more urgent between them. For the time being, however, it will be difficult for China to modify its position of lending more support to North Korea than to the ROK.

Meanwhile, China has this basic position toward the reunification of the Korean Peninsula: Because it needs stability in the surrounding regions for the sake of its own economic construction programs, China wants to see no conflicts occurring on the Korean Peninsula nor changes in the present status of North and South Korea. Consequently, in respect to the divided Korean Peninsula, China's preference is for the status quo rather than its reunification. China, aspiring to leadership in the region, apparently wants to see the Korean Peninsula remaining in its present state of division rather than reunified.

In conclusion, what type of policies should the ROK pursue toward China in the future?

First, it should be noted that the ROK-PRC normalization and summit was the result of the "Northern Policy" which Seoul pursued with the aims of promoting rapprochment with socialist countries other than North Korea and, through it, inducing the reform and opening of North Korea itself and realizing the ROK-led peaceful reunification of the Korean Peninsula. Therefore, the ROK should use China as a go-between to bring about North Korea's reforms and opening.

Second, while China is likely to continue its military assistance to North Korea to help ease its feeling of isolation, the ROK should exercise self-restraint against arms support to China including mass lethal weapons and means of delivery. In this connection, the ROK should, through stepped-up cooperation with China and Japan, create a multinational body of cooperation and launch other diplomatic efforts for stability on the Korean Peninsula and in Northeast Asia.

Third, the ROK should control indiscreet investment or marketing activities in China so as to ensure the interests of economic exchange to maximum degrees. In addition, with regard to the economic cooperation with China, consideration should be paid to what pervasive effect it will have on North Korea. At the same time, the government should, in advance, investigate the possible negative effects of economic exchange with China on our small businesses and agriculture and formulate the necessary countermeasures.

Fourth, as ROK-PRC relations develop further as the result of the normalization and summit, the big powers with interests are likely to intensify their competition for influence in Northeast Asia and on the Korean Peninsula; in this connection, the ROK should, through active diplomatic efforts, see that the path to a new Northeast Asian order is not through a perpetuated division of the Korean Peninsula.

Fifth, although the normalization with China has been achieved on the condition of severing relations with Taiwan, the ROK and Taiwan still have large common grounds to share political, economic and cultural interests. It is therefore necessary to concentrate efforts on developing nonpolitical ties with Taiwan.

Dissidents Still Struggle Against Establishment

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[By reporter Mun Hak-chin: "*Chaeya*, A Prop That Has Changed Trends at Each Turn"—another in series, "People Who Move Korea"]

[Text] *Chaeya* [reformist camp], the antonym of *chedokwon* [co-nservative camp], has exercised a unique influence upon our society ridden by authoritarianism through its contemporary history. It was able to build its influence despite the lack of an adequate material foundation because the clique in power at each time had a fundamental problem with its legitimacy and because the people were indignant about it. It can also be attributed to the high morality of *chaeya* activists—and to the leadership based on it with which they have led the masses.

One may say that it was during the Yusin [Revitalization] era of the 1970's and around the June [1987] upheaval toward the end of the Fifth Republic when *chaeya* shined most in our society. Those were, in a nutshell, the days of Pak Chong-hui and Chon Tu-hwan respectively, with their iron-fist rule at its peak; with the spirit of resistance permeating the society, all there was for *chaeya* to do was to confront their injustice and lead the fight against it. The people applauded every time they saw *chaeya* standing at the head of the crowds, battered but unceasing to fight.

Chaeya that fought Yusin with everything it had took a brief respite from the battle in the spring of 1980. And soon, driven back by tanks attacking them from behind, it had to endure a "horrible season." In the meantime, the Fifth Republic got off to a menacing start, but the gravity of contradictions inherent in it inevitably led to a powerful surge of resistance forces represented by *chaeya*. It was precisely in the June upheaval that *chaeya* joined its voice with the public and made a decisive hit against the Fifth Republic. That was the time it stood out so aloft.

However, over the 13th presidential election that was to come six months later, *chaeya* was divided into three groups, each demanding the opposition to run "a unified candidate" or pronouncing "unwilling support" for a specific candidate or maintaining that each faction should run "its own candidate." The opposition camp, which was stronger than ever at the time, thus split, allowing the least expected camp to walk away with the fruit of the direct presidential election which the people had won for themselves. The shocking outcome led to phenomena close to a "panic" and *chaeya* unavoidably came down a peg. The people who had taken to the streets in the June pro-democracy upheaval were no longer looking to it for leadership.

Meanwhile, *chaeya* regrouped and as a result the National Democratic Alliance of Korea (Chonminnyon) was born in January 1989. It was after the 13th general election in which the people, emerging from the nightmare of the presidential election defeat, drove the government into the status of a minority party in the National Assembly. The society thus resumed its struggle for democracy and reforms, pinning their newly found hopes on Chonminnyon.

But Chonminnyon was plunged into controversies over whether to convert itself into a political party and, consequently, was divided. Eventually, part of its forces insisting on the immediate formation of an independent political party dropped off, seriously damaging the overall image of *chaeya*.

At the same time, the "outrageous" three-party merger carried out in January 1990, while the rapid changes in the international situation such as the collapse of the Soviet Union and East European Communist Governments brought an enormous shock to our people, prompting change in their perception. *Chaeya*, unable to respond to the changes flexibly and correctly, appeared to be on the rapid decline, shaken in the face of suppressive and splitting maneuvers by the ruling forces. In the Sixth Republic, which was, in form, no longer an authoritarian state, *chaeya*, still hostile to its intrinsic quality and clinging to fundamentals, was unable to find an adequate room of activity. Under these circumstances, it sometimes was accused of being "anachronistic."

Currently, in a situation characterized as "a crisis for *chaeya*," it is again on the move. While it has not yet firmed up its position concerning the imminent presidential election, scheduled for December, the National Alliance for Democracy and Unification [National Alliance], made up of groups including Chonnohyop [National Council of Labor Movements], Chonnong [National Alliance of Farmers], Chongyojo [National Teachers Union], and Chondaehyop [National Council of College Representatives], adopted in October its tactical program supporting a pan-democratic alliance candidate—virtually, the candidate run by the Democratic Party. Meanwhile, the National Conference (the National Conference for Great Democratic Reforms and Founding of Democratic Government)—which represents broad sections of *chaeya* including such organizations as industrial labor unions, and Christian, Catholic, and Buddhist movement groups as well as Chonminnyon—also is expected to throw its support behind the same pan-democratic alliance candidate picked by Chonminnyon.

Kim Kun-tae, chairman of the National Conference executive committee, says, "We can win if a united *chaeya* and opposition forces within the conservative camp succeed in forming a democratic alliance." "In this connection," he notes, "while *chaeya* basically prefers a great democratic alliance led by the masses, it will—in view of the present dynamics of power—accept the leadership of the conservative opposition forces."

Separately from it, calls for running an independent candidate have gathered a fairly strong force in a section of *chaeya*. They support Paek Ki-wan as the candidate.

Also, there are a number of former *chaeya* activists who switched to the conservative camp through the 13th and 14th National Assembly elections and who are pursuing their course by forming such groups as the "Gathering for Political Reform." They are: Pak Sok-mu, Chong Sang-yong, Kim Yong-chin and Yi Hae-chan elected to the 13th National Assembly, and Yi U-chong, Kim Mal-yong, Yi Pu-yong, Im Chae-chong, Yi Kil-chae, Choe Chong-ku, Chang Yong-tal, Yu In-tae, Won Hye-yong, Pak Kye-tong and Sin Kye-ryun who won seats in the 14th National Assembly. They also serve as a link between the Democratic Party and *chaeya*.

The forces who formed the Masses Party after their break with Chonminnyon won not even a single seat in the 14th National Assembly and, eventually, had to see the party itself collapse. After the fall of the Masses Party, those forces, represented by Yi U-chae, Chang Ki-pyo and Yi Chae-o, created a Council for Democratic Reforms and Social Progress (Minsahyop) to carry on their activities; however, after Kim Nak-chung, former chairman of the Masses Party, was arrested in an espionage ring case, Chang Ki-pyo was also taken into custody on charges of failure to report espionage activity to authorities.

As the headquarters of *chaeya*, the National Conference, inaugurated in September with its sights on "a turnover in power and establishment of a democratic government," announced a five-point program—establishing national self-reliance, pushing for democratic reforms, realizing fair elections, overcoming regional indiscrimination in administration, and combining democratic forces.

Let us take a look at people who lead the National Conference.

Kim Kun-tae, 46, chairman of the Executive Committee: He is currently the chief attraction and general manager of the National Conference, was released from prison after serving a term of two years and three months and returned to the "line of action" in August. While serving as chairman of Minchongnyon [Federation of Youths for Democratization Movement], Kim was taken into custody in August 1985 and subjected to all sorts of tortures in prison for over three years. Later, while chairman of the Executive Committee of Chonminnyon, he was again arrested in May 1990. At the time, negotiations were under way for a merger of three opposition groups—the Party for Peace and Democracy [PPD], the Democratic Party, and *chaeya*—and Kim was playing an important role behind the scenes. When authorities arrested him in a blitz on charges of masterminding protest demonstrations against the murder of Kang Kyong-tae, the opposition camp strongly reacted against the action. During the dark era of the Fifth Republic, Kim mounted bold antigovernment activities as Minchongnyon leader, breathing life into *chaeya* that had been shrinking since the 1980's. The Chon Tu-hwan government put him in prison and he was forced to spend the presidential election year of 1987 behind the bars.

A former student movement activist of Seoul National University, Kim Kun-tae is rated as a figure with rare leadership. He is a fundamentalist, yet always bent on being realistic and flexible. He is known to have played a markedly important role when the National Alliance was in the process of deciding its position concerning the presidential election in October. Those knowing him well depict him as "a dreadful person with a gleaming blade hidden behind a soft touch."

There are four vice chairman of the Executive Committee assisting Chairman Kim Kun-tae. They are Sin Chil-yong, 43; Choe Kyu-song, 43; Kim Hui-taek (42), and Na Sang-ki (43). Sin, who is concurrently serving as chairman of the General Affairs Committee, is a labor movement veteran. He once worked as chairman of the Labor Affairs Committee of the former Masses Party. Choe is concurrently chairman of the Committee on Conservative Politics of the National Alliance. Kim Hui-taek, also chairman of the Public Relations Committee, was taken into custody in the Pomminnyon [Pan-National Alliance] case last year but released recently. Na Sang-ki is also chairman of the National Congress of the General Federation of Farmers Organizations.

Yu Sang-tok, 43, Chongyojo policy board director, who was dismissed as teacher in the "education for the masses" case in the days of the Fifth Republic, serves as chairman of the Organizational Committee of the National Conference. Hwang In-song, 40, chairman of the Policy Committee of the National Alliance and former director general of the Federation of Christian Student Associations, is chairman of the Planning Committee of the National Conference.

Kim Tong-wan, 50, spokesman of the National Conference: He is Hyongje Church minister and widely known as the person who brought the Methodist Church to be involved with realities for the first time. He once led the Urban Industrial Mission. The National Conference has two deputy spokesmen: Choe Min-hwa, 43, director of the Institute of National Democratic Movements, who was a student movement leader in his Yonsei University days, and Chong Tae-yun, 39, former Masses Party spokesman, who earlier led labor movements in the Inchon area.

The National Conference is operating two ad hoc committees. The Special Committee for Fair Election is chaired by the Rev. Ham Se-ung, 53, cochairman of the Society of Catholic Priests for the Realization of Justice, who is well versed in the emancipation theology. He played a key role in launching the Society of Priests for the Realization of Justice in the aftermath of the 1974 Democratic Youth and Student League incident. A figure known as a theorist, Ham Se-ung is also an outstanding activist. Wherever there is a "work" to do, he is there. He was a professor at Catholic College of Theology before moving on to Changuidong Cathedral.

The other ad hoc committee, the Special Committee on Theoretical Programs, is led by the Rev. Kim Sang-kun, 53, director of the Educational Institute of the Korea Christian Elders General Association, who led a TV viewer-fee payment boycott movement. He worked all-out behind the scenes in the PPD's first merger into the New Democratic Party in 1990. Vice chairmen of this committee are: Na Pyong-sik, 43, representative of Pulbit Publishing House; and Kim Sung-kuk, 40, policy board director of the Alliance of Anti-Nuclear Peace Movements.

Above these executive committees, the National Conference has 10 cochairmen. [Their profiles are as follows:] The Rev. Pak Hyong-kyu, permanent cochairman, resigned and retired in June as party committee chairman at Cheil Church after serving as protestant pastor for many years there. At a 1973 joint rally marking Easter, he distributed printed materials opposing Yusin, opening the way for Christians to participate in criticisms of realities. In the 1974 Democratic Youth and Student League case, he was taken into custody on the suspicion of pulling the strings from behind. This led to the birth of a Thursday prayer meeting. Pak has been opposing distorted politics not only in theory but also in deed and made a name for himself in the Christian world.

Yi Ton-Myong, attorney and permanent cochairman, who is regarded as an authority among human rights lawyers, once served as president of Choson University, then plagued by campus disputes. Presently, he is chairman of the Catholic National Alliance for Justice, a group of lay believers.

Kwon Chong-tae, chairman of the Standing Committee of the National Alliance and another permanent cochairman, once belonged to the Catholic Farmers Association. His record includes chairmanship of the Federation of Farmers Organizations of Korea.

Sin Chang-kyun, former Chonminnyon cochairman and a Man of Merit of the Anti-Japanese Independence Movement, was involved with a progressive political party in the 1950's.

Kye Hun-che, who led the organizing of a teachers union after the 19 April [1960] student uprising, has been a devoted *chaeya* activist all his life. The black rubber shoes he always wears have become his symbol.

The Rev. Kang Hui-nam retired as a preacher at Nansan Church in Kimje.

Buddhist priest Chison, leader of the Council of Buddhist Movements for National Independence and Unification, is known for his work that laid the theoretical foundation of "Buddhism for the masses."

Yi So-son, co-chairman of Mingahyop [Council of Family Movement for Realization of Democracy], is the mother of Chon Tae-il, who killed himself in a 1970 self-immolation. She is called "mother of workers."

The Rev. Kim Pyong-sang of the Chuan 1-Tong cathedral in Inchon, who is cochairman of the Society of Catholic Priests for the Realization of Justice, worked in close cooperation with the labor union of Tongil Textile Co. in the Yusin era. Again in the Fifth Republic days, he drew attention for vehement antigovernment criticism he made in the Inchon parochial weekly. He also opened a "Masses College" with the help of professors dismissed from their universities.

Cho Hwa-sun of Talwol Church in Sihung, who is president of the Federation of Women's Organizations of Korea, has worked with the Urban Industrial Mission for 18 years.

Along with the above cochairmen, the National Conference has a 13-member advisory group backing it up, including the Rev. Mun Ik-hwan, who was sentenced to seven years in prison for visiting North Korea, released in October 1990 when the execution of the sentence was suspended. But he was returned to prison in June 1990 upon the withdrawal of the suspension order. The group also includes the Rev Cho Yong-sul, who was once taken into custody for participating in the Pomminnyon organizing convention held in Berlin in 1990 as head of the Southern Joint Promotion Headquarters for a Pan-National Congress. Among other members of the group are the Rev. Kim Sung-hun of Wangsip-ri Cathedral, who is cochairman of the Society of Catholic Priests for the Realization of Justice; Prof. Pyon Hyon-yun, and Messrs Kim Pyong-kol, Cho A-ra, Pak Sun-kyong.

Yi Chang-pok, former Chonminnyon Standing Committee chairman, who, in prison, took part in the creation of the National Conference as a promoter, will be released in January next year after serving out his time. A veteran of the Catholic relief movement for paupers, Yi was working as chairman of the Executive Committee for a Pan National Congress when arrested on charges of violating the National Security Law in 1990. Also noteworthy is the presence of the Rev. Yi Hae-hak and Cho Song-u, director of the Institute of Peace, who both experienced prison life in the Pan-National Congress case. Kim Hui-son, who worked as member of the South Korean preparatory committee for the formation of Pomminnyon, has been sought by authorities for one year and 10 months.

Among other activists who participated in the creation of the National Conference as promoters were Pae Chong-yol, chairman of the National Alliance of Farmers; Tan Pyong-ho, chairman of the National Council of Trade Unions; Yi Yong-hui, chairman of the National Teachers Union; Han Kyong-nam, president of the National Federation of Labor Unions, and Yi Pom-yong, president of the Korea Council of Youth Organizations.

In the view of Chaeya, the outcome of the December presidential election will have a decisive impact on its standing. It will make all-out efforts in the campaign to lead a nationwide struggle for a turnover in power. In order for its goal and strategy to succeed, *chaeya* must employ correct tactics. Even more important, one may say, is how such moves of *chaeya* will be received by the general public.

Burma

Delegates Begin Arriving for National Convention

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[By Khin Maung Thwin]

[Text] Rangoon, Jan 6 (AFP)—Security appears to be the keynote as delegates to this weekend's National Convention arrive by rail, river and road in the Burmese capital.

Saturday's convention, the first major political event in Burma since the 1990 general elections, is, according to the military government, aimed at laying the groundwork for re-establishing multi-party democracy in this nation of 42 million people. Delegates, expected to total around 600 in eight categories, began arriving Monday.

Informed sources said all had been instructed to be present and accounted for by Wednesday by the Convening Commission headed by Rangoon military commander Major General Myo Nyunt.

The State Law and Order Restoration Council (SLORC) has repeatedly warned of likely attempts to derail the convention by "disruptive elements" who have denounced the military-sponsored meeting. SLORC says the convention will start the process of drafting a new Constitution under which state power would be transferred to the next government.

Sources close to the National League for Democracy (NLD), which made a clean sweep of the 1990 elections but have come no nearer to power, said some leading dissidents within the party had recieved warnings.

Those cautioned have openly voiced disenchantment with their present leadership and have been warned against attempts to either wreck the party or disrupt the National Convention, the sources said.

"External as well as internal elements are making attempts to disrupt the National Convention", high ranking military officials have been quoted as saying by the state media, which has been highlighting elaborate preparations. The NLD, which won more than 80 percent of the seats in the 1990 polls, is to be represented by 88 successful candidates and five party representatives. Aung San Suu Kyi, the former NLD leader and the winner of last year's Nobel Peace Prize, remains in detention in her Rangoon home.

Each party, seven of which remain functioning, has been allowed five representatives and one third of the number of their candidates who won seats in 1990.

Altogether 485 seats were contested in the elections, with the second largest share going to the Shan National League for Democracy.

The former Burma Socialist Programme Party, identified with Burmese strongman General Ne Win, contested the elections as the National Unity Party. It took only ten seats.

All delegates, including those from the capital, are being housed at a former race track in the city's northeast throughout the convention, although there has been no indication how long it will last.

The step was taken, according to the management committee: "Not only for their security but also to enable delegates to hold meetings and discussions expeditiously in order to make the convention a total success."

Analysts said the effect would be to make all delegates incommunicado.

Each delegate has been allotted a daily allowance of 50 kyat (about eight dollars) and a lump sum of 300 kyat (about 50 dollars) for contingencies during the convention which most guess will last about a month.

Free transport by either rail, air, river or road has been provided for those coming in from outside Rangoon.

The convention's purpose is to lay down the basic principles for a new Constitution. But the military, which seized power in September 1988 and has since ruled as SLORC, has explicitly stated that one of these principles must guarantee its leading role in future national politics.

Political circles have expressed concern this demand could become a focus of controversy during the convention. There have been reports of widespread pamphleteering by dissident groups, including students, denouncing the demand, observers here said.

Resident diplomats have been invited to attend the opening ceremony Saturday at the president's house.

Central Bank Licenses New Private Bank

BK0201053593 Rangoon Radio Burma in Burmese 0430 GMT 2 Jan 93

[Text] The Central Bank of Myanmar [Burma] Law and the Myanmar Financial Institutions Law have been enacted in order to establish a financial system suitable for the market economy being practised in Myanmar and to upgrade the efficiency of financial operations.

In accordance with Article 57 of the said Central Bank of Myanmar Law, banking licences are being issued for private banks. It has been learned that the Central Bank of Myanmar issued a banking license to Myawadi Bank Limited yesterday.

Brunei, Malaysia & Singapore

Malaysia

Thai Premier Arrives for 3-Day Visit 6 Jan

BK0601084293 Kuala Lumpur BERNAMA in English 0818 GMT 6 Jan 93

[Text] Kuala Lumpur, Jan 6 (OANA-BERNAMA)—Thai Prime Minister Chuan Likphai arrived here Wednesday on a three-day visit to Malaysia, his first trip overseas since he became prime minister in September last year. Foreign Minister Abdullah Ahmad Badawi greeted Chuan on his arrival at the Kuala Lumpur International Airport by a special aircraft. Chuan headed a 90-member delegation which comprised cabinet ministers, MPs, senior government officers, businessmen and journalists. The visit is at the invitation of Malaysian Prime Minister Dr. Mahathir Mohamed. Soon after Chuan's arrival, both Chuan and Abdullah proceeded to Parliament House for the official welcoming ceremony.

At Parliament Square, Dr. Mahathir greeted Chuan and both leaders took the salute from the dais. After the national anthems of both countries were played, Chuan inspected a guard-of-honour mounted by three officers and 103 men of the first battalion Royal Malay Regiment. Dr. Mahathir then accompanied Chuan to Carcosa Sri Negara [Guest House] where he will stay.

The Malaysian King (Yang Dipertuan Agung), Sultan Azlan Shah, will grant an audience to Chuan at the National Palace, Wednesday evening. Dr. Mahathir will host a dinner Wednesday night for Chuan at his residence Sri Perdana. Thursday, both prime ministers will have talks on bilateral, regional and international issues.

Minister Views U.S. Trade Stand Under Clinton

BK0601055093 Kuala Lumpur BERNAMA in English 0259 GMT 6 Jan 93

[Text] Kuala Lumpur, Jan 6 (OANA-BERNAMA)—Malaysia is awaiting with interest the stand of the United States' new administration under Bill Clinton who will take office on Jan 20 especially on world trade. International Trade and Industry Minister Rafidah Aziz said Wednesday that Malaysia wants the Clinton administration to immediately give a mandate for the continuation of the negotiations between the U.S. and the European Community (EC) relating to failed talks between them in Brussels last November.

She said Malaysia hoped that the Clinton administration would continue its offer and negotiations to open the market and the negotiations relating to products under the European round of talks. What is important is for them (Clinton) to give their mandate fast so that the negotiations could be settled, she told reporters here. The U.S. and the EC failed to agree on the export of EC's agricultural products worth U.S.$300 million per year to the U.S. and the conflict could lead to a trade war affecting the whole world. The conflict could pose a threat to negotiations of the Uruguay rounds of the General Agreement on Tariffs and Trade (GATT) relating to the move to reduce tariffs worldwide for two years.

Paper Views Mahathir's Risk in Opposing Sultans

BK0601025993 Bangkok THE NATION in English 6 Jan 93 p A6

[Article by Sonny Inbaraj: "Mahathir and the Sultans on Collision Course?"]

[Text] In the annals of Malay history, the best example of a feudal personality lacking self-restraint was Sultan Mahmud of 16th century Malacca.

According to the Sejarah Melayu—a written record of the stories and ethics of Malay rulers—Sultan Mahmud's father on his death bed advised him not to succumb to the dictates of the unruly feudal temperament: "... Be merciful to your subjects and take good care of them ... Allah approves of those who are patient and restrained."

Sultan Mahmud was also advised not to be cruel to his subjects: "... Do not kill, unless they are guilty of treason."

But the Sejarah Melayu tells us that self-restraint was not one of Sultan Mahmud's virtues. He killed with ease and the record has it that there was a man who offended him but the offence was not really serious, yet he was executed by the sultan. When an official, Seri Bija Diraja, disapproved indirectly of the execution, Sultan Mahmud took it as a personal affront and an act of disloyalty.

The Sejarah Melayu says that the sultan was quick to conclude that Seri Bija Diraja did not like him to be the official's master. When the official turns up late for Hari Raya (the Muslim New Year) celebrations at the palace, Sultan Mahmud uses it as an excuse to execute him.

Dr Shaharuddin Maaruf of the National University of Singapore in his book Malay Ideas of Development, says one characteristic of the psychology of the Malay ruling elite is its lack of self-restraint and it must be attributed to the previous habit of wielding absolute and arbitrary power and of being obeyed unquestioningly.

"When ideas of hierarchy, inequality, superiority, and inferiority are continually impressed upon the Malay mind, it is bound to have far-reaching effects on the development of personality and character," he adds.

Four centuries after the reign of Sultan Mahmud, this feudal obsession with power and position and demands that subjects be totally servile to the ruling class are being challenged by Malaysian Prime Minister Mahathir Mohamad.

The government's efforts to strip the rulers of their immunity from legal prosecution, enshrined in the constitution, initially came about by public outcry over the alleyed assault of a hockey coach by Johor's Sultan

Mahmood Iskandar on Nov 30 for criticizing the withdrawal of Johor teams from national hockey matches.

The withdrawal was said to have been a directive from the Johor's Bukit Serene Palace after the sultan's son was suspended from competing in hockey tournaments for reportedly beating up an opposing goalkeeper.

Parliament was recently told that the Johor sultan and the prince were involved in 23 assault cases on commoners since March 1972.

The alleged assault case has also focused attention on the excesses of rulers and their families of other states. Questions have now been raised among Malaysians on such matters as logging concessions given to the rulers, the number of palaces and luxury cars they own.

Under Malaysia's unique constitutional monarchy, established after independence from Britain in 1957, the nine heredity rulers elect one of their number to be king every five years.

At a special sitting of parliament on Jan 18, Mahathir's United Malays National Organization (UMNO), the dominant partner in the ruling National Front coalition government, will table constitutional amendments to strip the rulers of legal immunity and their right to pardon offenders. The premier also plans to amend the Sedition Act, that presently prevents any person from lodging a police report or making complaints against the rulers.

Speaking to reporters on Dec 30, Mahathir said that stripping the rulers of their legal immunity would not be effective unless the Sedition Act and the right to pardon were amended. The premier said that under existing Malaysian laws, a ruler could pardon himself or any relative convicted of criminal offences.

Analysts point out that Mahathir's actions to curb the powers of the rulers could pit UMNO against the royalty. Traditionally UMNO champions the political rights of urban Malays while the rural Malays tend to be paternally dependent upon the rulers, whom they see as their benefactors and protectors.

"It is quite wrong to assume that the Malays are overwhelmingly backing up Mahathir with regard to amendments to the Constitution to curb the powers of the rulers.

"One has to realize that because of the rapid rate of industrialization that has been going on in Malaysia for the past few years, many of the rural Malays have been urbanized fast. But their village roots are still strong and when it comes to a crucial issue like the royalty, there will be a 50-50 split," said K. Gurunathan, a researcher with the Gerakan Party in the National Front coalition.

Legally, Mahathir could find himself in a wrangle if the premier does not seek the approval of the Conference of Rulers (the majority of whom are the sultans themselves) before tabling the amendments in parliament. The Malaysian Constitution dictates that any law affecting the position and privileges of the rulers cannot be tabled without prior consent of the Conference of Rulers.

The government needs the support of at least five of the rulers to be able to table the amendments. To date, only the rulers of Terengganu and Perak have indicated support for Mahathir.

Asked about this, Mahathir said the government's interpretation was that there could be debate on such amendments in parliament, but the rulers' consent was necessary to make such amendments law. Based on this argument, the premier said, the government would seek the Conference of Rulers' consent only after tabling the amendments in parliament.

If parliament amends the constitution and doesn't secure royal assent, there is a strong possibility that the legality of the amendments would be challenged in the Supreme Court. As it stands right now, supporters of the Malay royalty and the rulers have threatened to challenge any moves to undermine the role of the sultans in the country.

An attempt to rein in the rulers in 1983 by Mahathir almost resulted in a constitutional crisis. As a compromise in 1984, it was agreed that the king could delay but not block any legislation which he disagreed with.

At the state level, where the sultans rule, the status quo remains. The constitutions of the states are silent on whether rulers have the right to refuse to assent to bills passed by the legislature.

According to Gurunathan, the only party set to gain any leverage in this issue is the opposition Semangat '46 led by Mahathir's arch rival Tengku Razaleigh Hamzah, who himself is a scion of the Kelantan royalty.

In the 1990 general election, though it performed badly in other states, Semangat '46 with the support of the Kelantan sultan and the Muslim fundamentalist Parti Islam Malaysia wrested control of Kelantan from the National Front government.

In 1987, Razaleigh at that time the country's finance minister, lost narrowly to Mahathir in the battle for UMNO's presidency. Razaleigh's supporters challenged the results, culminating the following year in a high court order declaring UMNO illegal. Mahathir then registered a new UMNO which Razaleigh refused to recognize and instead formed Semangat '46, which he said would restore the spirit of the original UMNO founded in 1946.

Razaleigh told the Malaysian press that sultans should be judged by a tribunal of their peers and not by the courts.

"When a ruler has done wrong and is found guilty by his peers, then he can be dethroned and be tried in a court of law. If the Armed Forces and judges can have their own tribunals, the rulers should also have a tribunal to ensure that they do no wrong," he added.

Cambodia

30 Dec Military Working Group Meeting Noted

BK0501105993 Phnom Penh Samleng Pracheachon Kampuchea Radio Network in Cambodian 1200 GMT 4 Jan 93

[Text] On 30 December 1992, at the headquarters of the UN Transitional Authority in Cambodia, UNTAC, the 28th session of the Mixed Military Working Group [MMWG], first level, was held under the chairmanship of General John Sanderson, UNTAC commander. Participating were representatives from the five major countries and many observers accredited to the MMWG. High-ranking military representatives from all Cambodian parties present on this occasion met for the 28th time to discuss a number of military issues, which are now complex, due the Khmer Rouge refusal to implement the Paris agreement, namely the cease-fire violation. This is the key to solving the general situation in Cambodia that is still being threatened by the Khmer Rouge.

The meeting chairman General John Sanderson, called on all Cambodian parties to discuss a number of essential military issues on the agenda of the 28th session. He stressed the rights and tasks of UNTAC in the Cambodian peace process and called for the implementation of measures to solve the conflict in Kompong Thom Province and to use this as a model for solving problems in other areas in Cambodia. This issue was raised at past MMWG meetings but has not been fully implemented.

Among other important issues discussed was the one relating to the State of Cambodia [SOC] Army proposal concerning naval forces. The SOC called for a solution in the face of Khmer Rouge's threats and pressure and their successive violations, particularly in the Tonle Sap area and a number of areas in Kompong Thom Province.

Speaking on this issue during the debate, Brigadier General [Brig. Gen.] Mol Roeup, representing the SOC Army, pointed out that what is worrisome at present are the activities of the Khmer Rouge. Day by day, the Khmer Rouge have become more barbarous and perfidious, just as if the UN or UNTAC had no control over them. Brig. Gen. Mol Roeup pointed out the Khmer Rouge violations in the Tonle Sap area in their pressure and threats to extort money and levy taxes in a number of fishing areas operated by our Cambodian people. Even more dangerous are activities in reserved fishing areas in the Tonle Sap area where fishing is banned to preserve certain species. The SOC has been making efforts to preserve this area which is now being violated by the Khmer Rouge. This means they are destroying forests in order to obtain profits to serve their war. Such activities include logging and gem mining in border areas. This is a very serious issue for the future of the Tonle Sap area, as well as for our Cambodian country, nation, and people.

General Mol Roeup also stressed a number of issues on which UNTAC should have uniform control in the implementation of the Paris agreement. In other words, a solution is needed for the immediate problems that are being provoked by the Khmer Rouge, in particular the one relating to the real situation of the SOC Navy. This is to justly and correctly implement the peace agreement in a situation where the Khmer Rouge threat is still present. General Mol Roeup also pointed out that there should be no worry concerning the SOC; what should be of concern is the Khmer Rouge refusal to implement the agreement. To this day, the Khmer Rouge continue to violate the cease-fire, and economically exploit the country and people to serve their war with the aim of bringing back the danger of genocide to Cambodia.

The meeting chairman General John Sanderson supported and agreed to discuss the above issues. The other two parties also welcomed and supported the chairman's proposal. As on previous occasions, Khieu Sophon, representing the Khmer Rouge, continued to oppose and reject the raising of the Khmer Rouge's negative points to spoil the atmosphere. The key issues raised as a way out and as a pretext were the two conditions on the presence of Vietnam in Cambodia and the rights and power of the Cambodian Supreme National Council [SNC].

It can be said that the Khmer Rouge continue to avoid addressing the essence of the meeting by falsifying facts and complicating matters. This is to play for time and to gain from the agreement without paying the life and future of the country, nation, and people any consideration.

On the issues raised by the Khmer Rouge about SNC rights and power and the oft-repeated claim of the continued presence of Vietnamese troops, we ask this question: Who is not taking part in the verification; who is not creating conditions to grant rights and power to the SNC; who is hindering the Paris agreement; and who is using a pretext to bargain over the agreement? It is certainly the Khmer Rouge. The Cambodian people are also clearly aware of the barbarous acts of the Khmer Rouge.

The meeting concluded with agreement on a number of issues concerning the SOC Army's proposal; there were also a number of negative points due to the Khmer Rouge's tricky nature.

More Alleged Khmer Rouge Attacks Reported

BK0401130993 Phnom Penh Samleng Pracheachon Kampuchea Radio Network in Cambodian 1200 GMT 4 Jan 93

["Latest news"]

[Text] According to Security Ministry sources, the Khmer Rouge over the past few days stepped up artillery barrages against the living quarters of our people. As a matter of fact, at 1845 on 31 December, Khmer Rouge soldiers from Regiment 14 of Division 616 lobbed several H-107 rockets from the Bos Mkak forested area into the Kompong Thom provincial seat, injuring a little girl, killing two oxen, and setting three houses ablaze. On the same day, Khmer Rouge soldiers from Regiment 55 of the Division 55 Command harassed the inhabitants of Chrang Kraham, Ta Pong, and Ta San villages, ordering them not to register for the elections.

In Preah Vihear Province at 1300 on 31 December, a group of Khmer Rouge fired 14 H-107 rockets on the area of Kulen district. From 0600 to 0700 on 1 January, they fired another barrage of 15 H-107 rockets on Kulen Khang Tbong village and the military position of Kulen district, wounding a villager and setting a house ablaze.

On 31 December, 18 Khmer Rouge soldiers came down from Vor mountain and infiltrated [name indistinct] and Toek Khmau villages, Svay Tong Khang Tbong commune, killing a militiaman, seizing an SKS rifle, kidnapping a village headman, and beating up two other villagers.

Along with these Khmer Rouge activities, a few terrorist acts were also reported. For instance, at 0145 on 3 January, three unknown persons on motorcycles came to the front gate southeast of the FUNCINPEC [National United Front for an Independent, Neutral, Peaceful, and Cooperative Cambodia] office in Banteay Meanchey Province and strafed it with AK fire, killing a guard. They then threw a grenade onto a stage inside the office compound before fleeing westward. The competent authorities are closely investigating the incident.

KR, FUNCINPEC Incidents Reported

BK0601135593 Phnom Penh Samleng Pracheachon Kampuchea Radio Network in Cambodian 1300 GMT 6 Jan 93

["Latest news"]

[Text] On 1 January, the Khmer Rouge [KR] fired 15 DK-82 shells on an area south of Totoeng village, Khnang Phnum commune, Svay Leu district, Siem Reap-Oddar Meanchey Province. On the same day, the Khmer Rouge transported a truckload of H-107 rockets to an area 2 km north of Ta Poun village. From 1 December 1992 to 1 January 1993, the Khmer Rouge fired over 100 artillery rounds on the Svay Leu district seat and a number of other areas. They also applied pressure on our frontline forces, killing one of our policemen, wounding two others, damaging five houses, and burning down three metric tons of rice destined as rations for policemen during the first quarter of 1993.

In Battambang Province, from 29 to 30 December, Khmer Rouge soldiers from Division 415 deployed two truckloads of ammunition at Phnum Rolong, O Tav, and Dei Kraham in preparation for attacks on the positions of Peak Sbek and Snoeng communes.

In Preah Vihear Province, on 1 January, the Khmer Rouge fired 15 H-107 rockets on the areas surrounding the Kulen district seat.

On 2 January, the city police department's antibanditry unit was sent to engage a lawbreaker named Than Sarun, male, at an area of Group 15, Ward 4, Mittapheap precinct, seizing three weapons from him. At 1900 on 28 December, a suspect named Sum Chau in Chamreh village, Peam Chak commune, who later was found to be a member of the FUNCINPEC [National United Front for an Independent, Neutral, Peaceful, and Cooperative Cambodia] party, stabbed Um Sokhom, deputy head of Kraol village, Peam Chak commune, Kompong Trabek district, Prey Veng Province. Um Sokhom was injured with one knife wound below the chin and another on the head. The victim of the attack was sent to Neak Loeung hospital the same night and the Kompong Trabek district police arrested the attacker. At 1900 on the same day, police officers from the Prasat station at Kaoh Andaeuk in Kompong Trabek district were shot at by a sniper hiding in the compound of the FUNCINPEC party office. There were no injuries. The provincial and district police are cooperating with the UNTAC [UN Transitional Authority in Cambodia] police to investigate this incident.

Attack on FUNCINPEC on 3 Jan Reported

BK0601015093 (Clandestine) Voice of the Great National Union Front of Cambodia in Cambodian 2330 GMT 5 Jan 93

[Text] According to reports, on 3 January, secret agents of the Yuon [Vietnamese] aggressors and the Phnom Penh puppets lobbed grenades and opened fire on the office of FUNCINPEC [National United Front for an Independent, Neutral, Peaceful, and Cooperative Cambodia] party in Sisophon, Battambang Province, killing another FUNCINPEC member.

This criminal and fascist act was carried out by the M-3 secret agents of the Yuon and the puppets and the secret X murder squad. These two groups of secret agents have been set up by the Yuon and the puppets to carry out activities to destroy various political parties, whether they are individuals or political parties, who have policies and have carried out activities in accordance with the 23 October 1991 Paris agreement dealing with the presence of the Yuon forces in Cambodia or affecting the Yuon's puppet regime in Phnom Penh.

So far, 14 FUNCINPEC members have been killed by secret agents of the Yuon and the puppets; 22 members of the Buddhist Liberal Democratic Party [BLDP] have also been killed by secret agents of the Yuon and puppets with over 10 others wounded. All these problems arise from UNTAC [UN Transitional Authority in Cambodia] not implementing the 23 October 1991 Paris agreement. In particular, UNTAC has not implemented the following major points:

1. UNTAC has not given a role to the Supreme National Council, chaired by Prince Norodom Sihanouk, to have rights and power as the legitimate and the sole source of power during the transitional period;
2. UNTAC has not controlled the five ministries; and
3. UNTAC has not verified the Yuon withdrawal from Cambodia.

Therefore, UNTAC leaders are fully responsible for all these criminal and fascist activities and for the continuation of the Yuon's war of aggression in Cambodia. Directly or indirectly, UNTAC leaders' failure to implement the 23 October 1991 Paris agreement has led to cooperation with the Yuon aggressors and their puppets and lackeys to kill the Cambodian nation and people and massacre the Cambodian race through criminal and fascist activities; the continuation of the war of aggression with weapons; and the war of people, namely the influx of over 2 millions Yuon residents into Cambodia in 1992. These residents continue to flow into the country.

Therefore, UNTAC leaders are criminals in the eyes of the Cambodian people and national and world history just like the Yuon aggressors and their puppets and lackeys.

More on Sihanouk's 'New Message' Reported

BK0601002793 (Clandestine) Voice of the Great National Union Front of Cambodia in Cambodian 2330 GMT 5 Jan 93

["Excerpt of the new message from Prince Norodom Sihanouk, head of state and chairman of the Supreme National Council, to Akashi, representative of the UN Transitional Authority in Cambodia, saying that the prince has stopped cooperating with UNTAC and the Phnom Penh puppets"]

[Text] On 4 January, Prince Norodom Sihanouk, head of state and chairman of the Supreme National Council [SNC], addressed a new message to Akashi, chief of UNTAC [UN Transitional Authority in Cambodia]. Following is an excerpt of the message:

In light of the extreme gravity and persistent continuation of the crimes perpetrated against FUNCINPEC [National United Front for an Independent, Neutral, Peaceful, and Cooperative Cambodia], which with goodwill has abided by and implemented the 23 October 1991 Paris agreement, I am obliged to cease cooperation with UNTAC and the Phnom Penh side as of today. From today on, there will be no official communications with Akashi and the Phnom Penh side.

Son Sann Said To Support Sihanouk Decision

BK0601004693 (Clandestine) Voice of the Great National Union Front of Cambodia in Cambodian 2330 GMT 5 Jan 93

[Text] In an interview with a correspondent of the Voice of America radio on 4 January, His Excellency [H.E.] Son Sann, chairman of the Buddhist Liberal Democratic Party [BLDP] and member of the Supreme National Council [SNC], said that the decision by Prince Norodom Sihanouk, head of state and SNC chairman—saying that if UNTAC [UN Transitional Authority in Cambodia] and the Phnom Penh side do not eliminate political terrorist activities against various political parties, he will stop cooperating with the two—is very correct.

H.E. Son Sann further said that on 13 and 14 December, the prince already sent letters to UNTAC Chief Akashi and the Phnom Penh side concerning the above problem because the Phnom Penh side has already killed 14 members of the FUNCINPEC [National United Front for an Independent, Neutral, Peaceful, and Cooperative Cambodia] party and 22 members of the BLDP right in front of UNTAC police. Yet UNTAC cannot find the murderers.

H.E. Son Sann also said he has already said to Akashi that Akashi should implement the 23 October 1991 Paris agreement correctly and meticulously. If Akashi still does not implement the agreement, nobody will support him and nothing will be solved.

Ranariddh: Cooperation With UN To Continue

BK0501095293 Hong Kong AFP in English 0934 GMT 5 Jan 93

[Text] Bangkok, Jan 5 (AFP)—Prince Norodom Sihanouk's party will continue to cooperate with the U.N. peace process in Cambodia and is determined to see the elections take place in May, the prince's son said here Tuesday.

Prince Norodom Ranariddh, head of Prince Sihanouk's FUNCINPEC [National United Front for an Independent, Neutral, Peaceful, and Cooperative Cambodia] Party, also told a press conference here that he had sent a letter to the United Nations chief in Cambodia, Yasushi Akashi, assuring him of his party's full cooperation.

However he asked journalists not to release copies of the letter until Akashi had received it first.

Prince Ranariddh said he had called the press conference to clarify a statement issued by his father in Beijing Monday in which Prince Sihanouk said he would no longer cooperate with the United Nations Transition Authority in Cambodia (UNTAC) headed by Akashi.

He said he entirely agreed with his father, and consequently would also cease his "working relationship" with UNTAC as of today, but that he had delegated FUNCINPEC's second most powerful party member, Sam Rainsy, to continue working with UNTAC.

Sam Rainsy, he said, would: "Have full powers to make decisions relating to UNTAC in consultation with me."

The prince also said he fully expected an announcement to be made soon by UNTAC on the necessity of presidential elections to be held before the May general elections in Cambodia.

"This is just a mini-war (between Prince Sihanouk and UNTAC)," Ranariddh said. "It is a very pacific one. You should not take it to mean we (the Sihanouk party) are abandoning the electoral process. Quite the contrary."

Sihanouk Offers To Meet UN Official in PRC

BK0601040293 Hong Kong AFP in English 0343 GMT 6 Jan 93

[Text] Phnom Penh, Jan 6 (AFP)—Prince Norodom Sihanouk sent another letter to the U.N. peacekeeping chief in Cambodia, Yasushi Akashi, telling him he would meet him in Beijing on Friday but would not discuss politics.

In the letter, dated Monday but released here Wednesday, the prince said he would "listen with sympathy and attention" to Akashi at the meeting, but would leave matters of politics to him, the diplomatic corps and the members of the Supreme National Council (SNC).

"I am not prepared to engage in discussions on the items communicated to me by your cabinet this afternoon," Sihanouk said in the letter.

The prince had declared in an earlier letter released Monday that he would cease cooperating with Akashi and the U.N. Transitional Authority in Cambodia (UNTAC), citing unabated assassinations of his followers in the FUNCINPEC [National United Front for an Independent, Neutral, Peaceful, and Cooperative Cambodia] party.

Sihanouk specifically mentioned the issues of presidential elections, constituent assembly elections and Cambodia's new constitution.

"I ask that you not speak to me about this during the meeting," Sihanouk wrote. "I cannot give you my advice on these subjects."

Akashi's chief political advisors Ataul Karim and Takahisa Kawakami, along with U.N. electoral component head Reginald Austin, were to accompany the U.N. chief on the trip, according to the letter.

UN Authority Chief on 'New Ideas' for Peace

BK0601080693 Hong Kong AFP in English 0756 GMT 6 Jan 93

[Excerpts] Phnom Penh, Jan 6 (AFP)—U.N. peacekeeping chief Yasushi Akashi returned here from vacation Wednesday with "new ideas" for the Cambodian peace process, saying he was looking forward to talks with Prince Norodom Sihanouk this week.

The meeting, scheduled for Friday in Beijing, comes after Sihanouk said he was ending his cooperation with the U.N. Transitional Authority in Cambodia (UNTAC) due to unabated assassinations and bombings attacks on his followers in the FUNCINPEC [United National Front for an Independent, Neutral, Peaceful, and Cooperative Cambodia] party.

"As I said many times, I am not satisfied with the neutral political environment and will continue to take very vigorous measures with new energy for the new year," Akashi told reporters after getting out of his twin-engine propeller plane.

"We always think of new measures, new actions, new steps. We'll be very vigorous and in urgency in all domains," he said.

He would not comment on the new measures or what his talks with Sihanouk would include, saying only that he was "very eager and looking forward to" the visit. [passage omitted]

Akashi's spokesman Eric Falt said later that UNTAC had already taken a number of measures to ensure a neutral political environment.

UNTAC is still studying the set up of a Special Investigator's Office that could bring Cambodians to justice rather than relying on the existing administrations.

"Who can dare say that UNTAC's presence has not made a difference?" Falt said. "We are very proud of what we are doing for the Cambodian population and we shall continue tirelessly and patiently working for them."

Akashi also said the comments of Phnom Penh Prime Minister Hun Sen at a press conference Tuesday had been forwarded to U.N. headquarters in New York and to the co-chairmen of the Paris conference on Cambodia, which ratified the peace accords ending the civil war.

The prime minister criticized UNTAC's inaction in the face of Khmer Rouge instransigence and asked U.N. Secretary General Butrus Butrus-Ghali to set January 31 as a firm date for cutting the Khmer Rouge out of the peace process.

"We have listened to Mr. Hun Sen and to his frustration," Falt said. "If the two co-chairman or the Security Council decide to follow up, it will be their sovereign decision.... Our position has always been to keep the door open and it will remain open."

Hun Sen News Conference on UNTAC, KR

BK0501094393 Phnom Penh Samleng Pracheachon Kampuchea Radio Network in Cambodian 0430 GMT 5 Jan 93

[News conference by Hun Sen, vice chairman of the Cambodian People's Party Central Committee, chairman of the State of Cambodia Council of Ministers, and member of Cambodia's Supreme National Council at Chamka Mon Presidential Palace in Phnom Penh on 5 January with unidentified foreign journalists—recorded in Cambodian with phrase by phrase English translation]

[Text] Ladies and gentlemen: First of all I would like to express my deepest thanks to all of you for having accepted my invitation to attend this news conference. I wish to take this opportunity to wish you, ladies and gentlemen, a successful mission in Cambodia and also a happy new year. Maybe you have already read the government statement that we are going to make today. I am not going to read this statement again. I would like to inform you, ladies and gentlemen, of the situation in the country. During our Supreme National Council [SNC] meeting in Beijing last July, I dubbed the comprehensive Paris agreement a handicapped person, as it no longer is a comprehensive agreement. The Paris agreement represents the kind of comprehensive agreement that all parties must implement equally and at the same time. So when the Khmer Rouge [KR] not only refused to comply but also violated this agreement, the Paris agreement no longer represented a comprehensive agreement; it is like a handicapped person for whom remedial measures are needed.

The primary question is: Why do we find ourselves in this situation? So there are quite different interpretations of our situation; some might blame the Paris agreement itself. But the UN Security Council resolution clearly pointed to the Khmer Rouge as the main cause, and demanded that measures be taken to stop the Khmer Rouge and impose sanctions on them. Therefore, the Khmer Rouge constitute the main cause, the root cause of the current problem. Now if we are not using diplomatic expressions, if we are not afraid to speak the truth, we can say that this situation is now approaching a crisis. I am concerned that most of us do not dare speak frankly and only speak diplomatically, mentioning only victories even now that the situation has deteriorated. Now the present situation is not only one of crisis but it has evolved into a crisis of ideas among a number of people. When I am talking about the crisis of ideas among some people I mean that so far we have not even bothered to find ways to safeguard or to rescue the Paris agreement from collapse. In my opinion, the situation will continue to be critical if the root cause of the problem, that is the Khmer Rouge cause, is not taken into consideration. So everyone of us agrees that we must not amend the Paris agreement but instead we must implement it in full. Therefore, we must find ways and means to take away the obstacles to the agreement.

Now may I make a brief report on this situation caused by the noncompliance by the Khmer Rouge and also the violations of this agreement by the Khmer Rouge. Since the Paris agreement was signed, while the other parties and especially the SOC were implementing the agreement, the Khmer Rouge have taken advantage of this situation in order to reoccupy a number of regions. The Khmer Rouge have two ways of expanding their zones of control. First, they have occupied the zones initially under the control of KP [Khmer People's National Liberation Front] and FUNCINPEC [National United Front for an Independent, Neutral, Peaceful, and Cooperative Cambodia]. Taking advantage of the cantonment and regrouping of these two armed forces, the Khmer Rouge have grabbed these two zones. The second way of extending their territory was when the Army of the SOC was prepared for cantonment and demobilization and the disarming of our militia, they have extended their control over the territory administered by the SOC. If we compared the situation before the signing of the Paris agreement, the Khmer Rouge now have expanded further the territory under their control. Therefore, this creates a reduction of the area in which UNTAC [UN Transitional Authority in Cambodia] will operate and also the zone in which the population will come to register with UNTAC. Of course, according to what we have heard, there are some intentions of dismantling the so-called internal frontier. But certainly we will not be able to do so, that is, to destroy the internal borders between factions because the Khmer Rouge are in the process of expanding and consolidating the zones under their control. The fact that the Khmer rouge have abducted some UNTAC officers demonstrates that they have expanded and consolidated further their internal borders. So I would like to tell you that it is not good at all if we allow the Khmer Rouge to expand their territory further. The important thing is that if the Army of the SOC withdraws and if it comes back to the provincial capitals, then we ask you this question: how much of a reduction will there be in the areas accessible to UNTAC and the number of voters?

Some people who have no political maturity have expressed views that both the SOC and the Khmer Rouge are equally responsible for the failure of the Paris agreement. But they have failed to ask this question: If the SOC continues to withdraw, how much of a reduction will there be in the areas that will be under the implementation of the Paris agreement and the number of voters?

UNTAC has withdrawn from a number of areas under attack from the Khmer Rouge. Now if the Army of the SOC continues to withdraw further, then the question is: Will UNTAC be able to return to these areas later?

Now what is most important, I think, is that when the Khmer Rouge have succeeded in consolidating control of their zones, they will work to increase their influence, to exercise their influence further into the other zones. They have won influence over the so- called semiliberated zones and the guerrilla zones and now they are in a position to fire into the populated areas, to repress the civilian population, to fire on and chase out UNTAC registration teams, to intimidate the people, slay them, and terrify them from registering, to commit terrorist acts, and even to kidnap UNTAC officials. The Khmer Rouge have infiltrated quite a number of their agents in cities and populated areas throughout the country under the labels of a number of non-Khmer Rouge political parties. They have committed many terrorist acts. Later on we will submit to you the list of assault weapons infiltrated into the cities by the Khmer Rouge, which shows that they want to attack the cities. So, I would like to request of UNTAC and its human rights component to allow us to complete our investigations because they are related to past acts of terrorism committed against some political parties. The point is why are these weapons and ammunition being infiltrated into the cities?

The Khmer Rouge seem to have kept themselves outside the Paris agreement and they are doing anything they can to destroy the agreement. The reason is that the elections will relegate the Khmer Rouge to the status of insurgents after an elected government has been formed. Therefore, they have no interest in letting the elections proceed peacefully. Of course, it is important not to underestimate the problem of the Khmer Rouge. Certainly, it is not the sole problem, but it is the root of the problem. Because we understand the situation, the party of the SOC would like to make some proposals. First of all, it is imperative to put a definitive end to all Khmer Rouge military violations. We must acknowledge that once the Khmer Rouge can expand further their control over the territory and a greater share of the population, then the territory and the population which will take part in the elections will as a result be considerably reduced. Our intention is aimed solely at safeguarding and also providing safety for the elections. If this matter is ignored, in my opinion, the elections will surely face difficulties and it might even become impossible for these elections to be organized. The key to the settlement is the elections. If we cannot hold these elections, then what will happen? The voter registration started in October and will last until the end of January. That is quite a long time. Now suppose, given the fact that the voting will take only about two, three, or four days, that the situation becomes worse than it is now, then the question is whether the voting can take place at all and can be completed in this time frame?

Now if we have been successful in the voter registration for three or four months, still it is not a sure bet that the voting, which will take place over a period of four or five days, will be a success if the situation gets worse. In order to achieve all these undertakings, we propose that UNTAC exercise its mandate as provided for by the Paris agreement and by the UN Security Council Resolution 792. Whether UNTAC can implement this mandate or not will depend mostly on the courage shown by UNTAC. So I would like to express my apology to UNTAC officials because I dare to speak frankly. The failure is not UNTAC's fault. However, UNTAC is partly responsible for a lack of courage. The mandate given by the Paris agreement and by the UN Security Council was to deploy UNTAC forces all over the country. UNTAC has deployed a large part of its personnel in the zones under the SOC without asking any permission from the SOC. But the SOC did not intend to request UNTAC to ask it for any permission because we knew that it was the mandate provided for by the Paris agreement and the UN Security Council. But I do not understand why UNTAC did not exercise the same mandate with the Khmer Rouge. Instead UNTAC needs to ask permission from the Khmer Rouge in order to go into Khmer Rouge zones.

Now I would like to predict that UNTAC will not be able to implement a mere three UN Security Council resolutions, even if 100 more are issued, if it lacks the courage. The fact that a bamboo barrier and a Khmer Rouge trooper with a single rifle could stop the UN Secretary-General's special representative and the top commander of UNTAC constitutes a major psychological blow to the implementation of the Paris agreement in Cambodia. The fact that the Khmer Rouge kidnapped UNTAC officers in Kompong Thom and Kratie Provinces and their firing on UNTAC in Siem Reap, constitute a Khmer Rouge warning to UNTAC. The question now is whether UNTAC dares to deploy the border checkpoints along the Thai-Cambodian border. First of all it was of concern whether Thailand would cooperate or not. Now the position of the Thai side is an optimistic one for the UNTAC operation in Cambodia. The SOC would like to welcome the positive position of the Royal Thai Government in according its cooperation to the implementation of both the UN Security Council resolutions and the Paris agreement.

The question that remains is to see whether UNTAC dares go over there or not. The Cambodian people have repeatedly expressed disappointment at UNTAC's ability and courage. They are now waiting to see UNTAC display this ability and courage. The important thing is for UNTAC to go there first and see what will happen. If we have to wait for permission from the Khmer Rouge, then we might have to wait until the 21st century. That is why we insistently request that UNTAC carry out its mandate as provided for by the Paris agreement and by the UN Security Council resolutions. If this cannot be done, the party of the SOC proposes that the mandate of UNTAC should be rectified by the UN Security Council in order to cope with the situation created by the Khmer Rouge.

In the past, the Cambodian people understood the situation because, in part, they did not understand well enough the extent of the mandate of UNTAC and yet they expressed understanding for UNTAC. As far as we are concerned, we feel that if the Khmer Rouge continue to commit violations, if the UN sanctions cannot be implemented, and if there is no rectification of the UNTAC mandate, I am afraid that there will be some problems with regard to the upcoming elections because the UNTAC is not mandated to enforce and to use force against violations. If there is any attack from the Khmer Rouge, UNTAC can only withdraw from the fighting. It has become a joke among Cambodians to say that UNTAC can run faster than the Cambodians themselves because UNTAC has cars and planes in which to run away. So this means that we are being defeated in the face of the Khmer violations. Therefore, there is a need to rectify UNTAC's mandate in response to this kind of situation.

Our second proposal is to set a 31 January 1993 deadline for the Khmer Rouge to take part in the elections. Paragraph 5 of the UN Security Council Resolution 792 has set the date of 31 January 1993 for the holding of the elections in areas where UNTAC has access. After that deadline of 31 January we have to set a time frame or date whereby after this date there will be no Khmer Rouge participation in the elections. So far there are a number of people who believe that we should keep the door open up to the last minute for the Khmer Rouge to join the elections. We believe that this kind of thinking is very dangerous for the Cambodian people. We consider that elections done this way would not be fair and would be illegal because UNTAC has no access to the Khmer Rouge zones and therefore there is no neutral political environment in those zones and the population there has also not registered with UNTAC.

The third point is: If the Khmer Rouge continue to defy the Paris agreement and do not comply with the deadline, what should we consider them? The fact that the Khmer Rouge have already excluded themselves shows that there is no legal and logical point to maintaining the Khmer Rouge in their present legitimacy within the SNC. Therefore, the SOC demands that the Khmer Rouge be excluded from the peace process because of their own doing. No one wanted to exclude the Khmer Rouge from the process, but the Khmer Rouge themselves excluded themselves from the process. Why should we maintain the Khmer Rouge in the agreement? We feel that if the Khmer Rouge are maintained in the present legitimacy, there will be three sets of consequences. First, there will be no guarantee for the safety and stability for the elections because the Khmer Rouge have zones under their control, their army, and their legitimate political party and thus can deploy their agents in the zones which will organize the elections. The continuation of the military activities from the outside together with the unrest agitated from the inside will seriously mar the elections.

Second, the elections that maintain the Khmer Rouge in their present legitimacy will prompt the partitioning of Cambodia into two parts: on the one side would be a Cambodia implementing the agreement together with the international community, and on the other would be a Khmer Rouge Cambodia with control zones, armed forces, and political organizations represented in the SNC. The Cambodia that implements the agreement would not have access to the Khmer Rouge-owned Cambodia whereas the Cambodia of the Khmer Rouge would have access to the Cambodia that implements the agreement. Therefore, politically, psychologically, legally, and factually speaking, maintaining the Khmer Rouge inside the agreement when we proceed with the elections is tantamount to encouraging the partitioning of Cambodia.

Third, the Cambodia conflict has not yet been resolved. The Paris agreement will end with free and fair elections and the formation of a coalition government. But now it is obvious that the Cambodia problem is not going to be settled with the elections because of the Khmer Rouge factor. Therefore, the question now is: What will happen next after more than U.S.$2 billion have been spent on UNTAC operations and the elections?

After the elections are held, only three scenarios will emerge:

First, there will be an outbreak of war between the newly elected government and the Khmer Rouge because the new government cannot accept controlling just 90 percent of the territory; it will have to control and administer 100 percent of the territory. So this drive to control and administer all the territory made in its capacity as the country's legitimate representative will cause the outbreak of hostilities with the Khmer Rouge. Therefore, if we maintain the Khmer Rouge's legitimacy from now until the end of the elections and the formation of a new government, the new government will be put in a difficult position dealing with them. This is the first post-election scenario: that there will be fighting.

The second will be the continued but temporary partitioning of Cambodia. A part of Cambodia will be under the control of the legitimate government born out of the elections and the other will belong to the Khmer Rouge.

The third scenario will be to get a second Paris agreement in order to again settle the conflict between the legitimately-elected government and the Khmer Rouge.

Therefore, the Khmer Rouge factor is not only a present but also a permanent problem for Cambodia and the stability of the Southeast Asian region. Therefore, we propose considering the Khmer Rouge insurgents or outlaws if and when they refuse to comply to join the peace process by 31 January 1993.

In order to foster national reconciliation and the unity of Cambodia and to ensure political stability before and after the elections, the SOC party in its fourth proposal, suggests that the presidential election be held before the constituent assembly election. This will contribute greatly to the success of the National Assembly election.

I think I shall stop making these comments now. I thank you very much excellencies, ladies, and gentlemen, for your attention. I am ready to answer your questions if you have them now.

[Correspondent in English] Mr. President, what will the SOC do if the cochairmen and UNTAC do not accept those four proposals?

[Hun Sen] These are proposals, not orders, for UNTAC and the Paris conference cochairmen or the UN secretary general. Proposals are not orders. I would like to stress that whatever happens, we will continue to implement the Paris agreement. Our proposals are meant to help save this serious situation. We are a signatory of the Paris agreement and we are Cambodians; we are also responsible for the fate of our nation. So we are duty-bound to make these proposals. Of course, if they are not accepted, then the person who does not accept them will have to be responsible for this dangerous situation.

[Correspondent] In other areas, will the SOC seek to amend the law banning the export of timber to Thailand, to include sawn wood and gemstones?

[Hun Sen] The SNC has already made a decision on the ban of log exports. Our party has no interest in requesting an extension of the ban. I consider the ban to be consistent with the policy that we have tried to implement since 1986. One year after becoming prime minister, I tried to implement the policy of reducing and banning log exports altogether. But my policy was not very successful as they have not been able to install machinery to process wood. That is why we support the ban on log exports, and we encourage wood processing in the country. Of course, yesterday we saw dispatches from press agencies that our party was exporting logs to Thailand through the pass in Choam Khsan. I have received no confirmation of this information yet. In that area there was a joint venture between the Department of Forestry and a Thai company to cut down 30,000 cubic meters of wood. However, after we had cut the trees down, the Thai company was not able to secure permission to import the wood into Thailand. Only in the third week of December did the Thai authorities allow this company to import the logs. So it was at the last minute.

At our Council of Ministers meeting three days ago, the minister of agriculture also asked how he could address this problem. The government replied that there is no export of logs. Instead, we have to use this wood domestically or install sawmills so that we can export timber. Therefore, we will not make any request to amend the ban on log exports. On the export of precious stones, this was also mentioned in the UN Security Council Resolution 792. The exploitation in the Pailin area is an act of banditry that not only destroys our natural resources but also badly affects environment all along the Sangke River and the Tonle Sap Lake. This is a heinous crime against the Cambodian nation. Therefore, there must be severe measures against this outrageous exploitation. We know that a number of Thai businessmen have invested a lot in this area and of course they are afraid of losing their investment. But we appeal to them to take into account the Cambodian people's interests, because these are the natural resources of the Cambodian people. If this kind of exploitation continues, ecologically speaking it will be harmful not only to Cambodia but to Thailand as well. To my knowledge, H.E. Yasushi Akashi is particularly concerned about this problem. A working group is preparing documents related to this issue. Thank you.

[Correspondent] I represent KYODO. Will you please explain the statement issued yesterday by Prince Norodom Sihanouk saying that he would no longer cooperate with UNTAC and the party of the SOC following some suspected foul play?

[Hun Sen] First, I would like to tell you that I have not yet been fully informed of that. To my knowledge, Prince Norodom Sihanouk has sent a fax message to H.E. Yasushi Akashi. So my initial comment would be that Prince Norodom Sihanouk will not abandon the Paris peace agreement at this stage because this agreement is reached for the purpose of rescuing the whole nation and people of Cambodia. Second, the prince will never abandon the nation and people of Cambodia. As far as we are concerned, we continue to support the mission undertaken by the prince as well as the implementation of the agreement, to the end.

[Question] Your Excellency, I am a Cambodian from Texas. I represent the people in Texas. From what I heard in the statement, Samdech Norodom Sihanouk will not cooperate with UNTAC. What will happen to the upcoming elections?

[Hun Sen] As I just said, I believe that Prince Norodom Sihanouk will not abandon the peace agreement, therefore he will not give up cooperation with UNTAC. I don't think we should jump to any conclusions beyond this point.

[Correspondent] You said that a number of political parties have been infiltrated by Khmer Rouge agents. Would you please name these parties?

[Hun Sen] I do not want to mention the name of any political party because each one has political rights. However, many political parties have been infiltrated by the Khmer Rouge because the Khmer Rouge cannot expose themselves as Khmer Rouge here; they need to join this or that party to conduct their activities. And I feel that this situation is not at all good for the process in the future.

[Correspondent] If after setting the deadline of 31 January, the Khmer Rouge do not join the process but instead join the process in, say, March 1993, does this mean the party of the SOC will boycott the elections?

[Hun Sen] I would like to inform you first that the elections constitute the most important goal of the party of the SOC. If the elections cannot be held, the one to lose the most will be the party of the SOC because it has done everything so that the elections could be held. Therefore, taking part in the elections is the sole objective of the party of the SOC and CPP. With regard to any extension or delay for the Khmer Rouge participation, I only wish to draw attention to the fact that we should not allow the Khmer Rouge to come only at the last minute because if we have set a deadline and we continue to allow the Khmer Rouge to take part at the last minute then these elections will no longer be fair and legitimate. What we want is to have the implementation according to the agreement and to hold the elections as legally as possible.

[Correspondent] Your Excellency, you said that the Khmer Rouge have infiltrated much of your territory. Can you tell us what percent of the territory they occupy?

[Hun Sen] We have a map over here and I invite General Tie Banh to tell you about the territory that has come under Khmer Rouge control by comparing the situation before and after the Paris agreement.

[Tie Banh] Excellencies, ladies, and gentlemen: This is a map of Cambodia. You can see here the border of Thailand. The zone in blue here represents the zone under the control of the various parties. After the signing of the Paris agreement, we have here on the map a number of villages which have been infiltrated or come under the influence of the Khmer Rouge later on. So they have expanded their infiltration into our area. As explained by H.E. Hun Sen with regard to the regions that they have got: they have taken advantage of the regroupment and cantonment of our forces to infiltrate these areas. At the same time, they have taken advantage of the situation to exert pressure and are ready to infiltrate other areas and provinces. So the areas in the districts shown here have come under the threat of the Khmer Rouge. Also a number of fishing concessions have been given under the pressure and threat of the Khmer Rouge. These are log concessions, also threatened by the Khmer Rouge. These symbols on the map show that the Khmer Rouge have the ability to carry out activities in these areas. So these demonstrate the disadvantages of the regrouping and cantonment of our Armed Forces. The Khmer Rouge have expanded their territory and their influence and could exert intimidation over a vast area. For example, they have abducted UNTAC personnel in those two areas and also in Kratie Province. Also they came in to massacre ethnic Vietnamese in Koh Kong Province and Kompong Chhnang Province and continued putting pressure on the fishing grounds in these areas. This is the estimate of the Khmer Rouge infiltration.

[Hun Sen] I would like to add that the consequences of the Khmer Rouge infiltration have a great impact on the implementation of the peace agreement and the elections. We know that they have created the so-called stable liberated zones. When these zones grow, so do their semiliberated zones. As a result, their so-called guerrilla zones will also expand. Militarily speaking, if an army occupies 100 hectares of land, it does not mean their influence is limited to that area alone; they will have influence around the whole area. The consequences of this are: first, the area under cultivation will be reduced, particularly the areas for floating rice cultivation. We have lost nearly 50 percent of the fishing concessions. In 1992, we could carry out only 28 percent of the logging concession plan. Another serious consequence is the increase in the number of war refugees caused by the Khmer Rouge offensives. The areas reserved for the returnees have been reduced and have not been cleared of landmines. If this situation continues to deteriorate, it will threaten voter registration and voting itself when it comes to the elections. If we do not anticipate and prevent this kind of situation, the implementation of the agreement as well as the elections will proceed with great difficulty.

[Correpondent] I represent the SINGAPORE BUSINESS TIMES. Can you tell us how much the financial loss on your budget will be as a result of the import-export sanctions and what impact will this budgetary loss have on your government?

[Hun Sen] Well, I would like to tell you that as a result of the mentioned logging concession areas, there were already bad effects on our 1992 finances. Because of Khmer Rouge activities, we have fulfilled only 28 percent of our logging concession plan. With regard to the ban on log exports, we think we will process timber before export. We have not estimated the effects on our finances yet as it will all depend on our timber processing ability. In our 1993 budget estimate, we have not included revenue from logging concessions because on the one hand we have a great domestic demand, while on the other we have a great consideration for the environment.

[Correspondent] You said you are concerned about the delay in the arrival of international aid. How is your view now?

[Hun Sen] In 1992, we had to survive on our own will. The Tokyo conference pledged up to U.S. $880 million in aid. Of course, some countries have already signed the agreement on the projects and have started to implement some of them. But, so far we have not received a cent from the pledge for our balance of payment. In the past few months we have implemented an economic stabilization policy. What is most important now is to increase revenue and reduce spending as much as possible. We also endeavor to attract foreign investment to fill up where it is needed. In its resolution, the SNC has also requested that countries that have pledged aid to disburse it quickly. I hope these countries will give us aid as soon as possible and as promised. We must see that the economic and financial problems will have very bad effects on the implementation of the Paris agreement and if this economic situation becomes very bad, the next government will have a lot of problems to solve. We know the Khmer Rouge and their allies do not want this aid to come quickly. They want our government to face more economic difficulties, but they have not thought that the next government will also have to face these problems, as what these people want is power and not the reconstruction of Cambodia.

[Correspondent] Do you think UNTAC should change its mandate and set up a military force in case the Khmer Rouge attacks?

[Hun Sen] This is the proposal in our statement today. We do not want UNTAC to keep running away from Khmer Rouge attacks. This is a disgrace to the United Nations. It is not good that whenever the Khmer Rouge attack UNTAC or the people, UNTAC keeps running away. Suppose that suddenly there are attacks on or near election day. Who will then stay to vote? We would then be defeated at the last moment by Khmer Rouge attacks. Now, there is time to withdraw and return. However, in the five-day election, if there is withdrawal, there will be no time to return. What would the result then be?

[Correspondent] Your Excellency said Prince Sihanouk will not abandon the Cambodian nation and people. However, why did the prince in his statement say he will stop cooperating with UNTAC and the SOC?

[Hun Sen] I have not yet done any real research but as I said, I still believe that the prince will not abandon the peace plan and Cambodia. And if there are further questions, please go to Beijing and ask the prince yourselves.

[Correspondent] Is it necessary to hold the presidential election ahead of the assembly election?

[Hun Sen] This proposal is essential for political stability, which is necessary in the constituent assembly election. There is nothing more than this. This is very important.

[Correspondent] But the presidential election is not part of the Paris agreement. Some UNTAC people say the two elections cannot be held at the same time.

[Hun Sen] First we should say that the Cambodian problem should be solved politically. If we talk about the legal aspects, it is not right because, first, this is not stated in the agreement; and second, there is not yet a constitution to determine the rights and power of the president and how to elect a president.

However, if we think only about the legal aspect and do not consider the political factor, we would probably be in a difficult situation. Therefore, electing a president before electing an assembly would greatly facilitate the latter. It would spare us various incidents which could eventually arise.

[Correspondent] You said a number of the attacks on members of other parties could have been carried out by the Khmer Rouge. However, can you say whether some other attacks were made by the SOC and the Cambodian People's Army and other parties?

[Hun Sen] I would like to talk a bit about this issue. First of all, we should be politically mature in drawing conclusions on this matter. Is there any benefit in the SOC's carrying out terrorist activities within itself? This is an act of great political ignorance. It is also great ignorance if one draws the conclusion that the attacks were carried out by the SOC. We have to cite a number of cases to illustrate this issue.

First, it is clear that the Khmer Rouge have not implemented the agreement. Therefore, the Khmer Rouge have no interest in letting elections proceed peacefully. I would like to inform you that in one year, ending 7 December, 176 soldiers of the People's Army were killed and 280 others wounded; 10 militiamen were killed and four wounded; 15 policemen were killed and eight others wounded; 252 people were killed and 464 others wounded; 24 Vietnamese residents were killed; a monk was killed and four others wounded; 28 persons had been abducted by the Khmer Rouge, the fate of these persons is not yet known—this is at village and commune levels. The Khmer Rouge have abducted 115 people. So far the fate of these people is not yet known.

The most important thing is the Khmer Rouge's refusal to implement the agreement. The Khmer Rouge killed millions of people when they were in power. Why would they not kill a few persons to score political gains? The game of using one stone to kill two or three birds is an easy one for the Khmer Rouge. This is the first reason.

The second reason is the seriousness of armed banditry in the past few months. Armed banditry did not occur during the time I administered the country before the signing of the agreement. There are many who were killed or wounded during incidents of armed banditry. However, when these acts take place against our people and our officials, we consider them armed banditry. If these acts are committed against members of political parties, they are then politicized.

I would like to cite an example. Last November, the 30th, we arrested a four-member gang. One of these bandits had stolen 45 motorcycles. Among the 45 cases, if 40 were committed against people, these acts would be considered robbery. However, if they were committed against members of political parties, there would be accusations that they were committed for political reasons. What people should pay attention to is the fact that it is very difficult to distinguish between military violations by the Khmer Rouge, armed robberies, and terrorist political activities. This is a difficult problem.

A lot of our officials, more so than officials of other political parties, have been victims of armed banditry. I would like to cite two cases in order to draw a conclusion.

First, the case of our deputy information minister and former editor of the paper KAMPUCHEA, who is now recovering in the hospital after being attacked and robbed. Should we conclude that he was victimized by other political parties because of his criticism of those parties? The nephew of the deputy prime minister and interior minister was abducted from his home and killed. Should we conclude that this was carried out by other political parties? We will not reach such a conclusion. Instead we consider this an act of armed banditry.

The third point about which I would like to inform you is that various political parties are being seriously split. Cheating on granting positions and giving money have caused problems for these parties. Various parties presently have weapons at their disposal; they also enjoy the right to issue vehicle licence plates. Members of some parties have committed robbery; they are party members but they do rob others. We have written to His Excellency Akashi saying that from 15 January we would like to request the withdrawal of weapons from all parties and reorganize the issuing of car licence plates.

In the agreement, nothing is said about allowing political parties transporting weapons across various zones. The statement in Paris on 25 October clearly says that an SNC member has 10 guards with 10 weapons. When travelling outside the compound, an SNC member will have only three bodyguards. Weapons will not be allowed out unless they are necessary to protect the SNC member. But now there are many weapons around. For what are these weapons? These are not for self-defense; they may be used for terrorist activities and armed robbery. These people have issued their own SNC vehicle number plates. What if the bandits also use the SNC plates? Some political parties are poisoning the atmosphere.

What people should be careful of is not to fall into the Khmer Rouge trap in their assessment of the situation. The Khmer Rouge will not take part in the elections. They are doing everything they can to draw their allies from the elections by poisoning the atmosphere in order to fish in troubled water. In principle, if there are no elections, everyone is defeated by the Khmer Rouge.

Another issue I would like to talk about is human rights. A number of persons are hiding behind a human rights label in order to abuse human rights. Is accusing others without foundation a violation of human rights? Baseless accusations are not allowed. Therefore, we should have hard evidence to level an accusation against someone or to reach a conclusion.

[Correspondent] My greetings to Your Excellency again and my final question is based on Gen. Tie Banh's overview on the map that almost one-fourth of the country was occupied by the Khmer Rouge and that means almost one-fourth of the Cambodian people will be excluded from the elections. The elections will thus be unfair and is it very important for UNTAC or the SNC to enforce the agreement? The second question is, is it very important for your government or political party to take part in the elections?

[Hun Sen] I would like to say that it is a fact the Khmer Rouge are not implementing the agreement. The Khmer Rouge are controlling a number of populated areas. This is why we want to put forward this proposal in order to minimize the loss of people and areas.

In the first point of my proposal relating to the amendment of the UNTAC mandate I want to talk about applying pressure in order to get the agreement implemented. At the very least UNTAC should not retreat when attacked. If it cannot move forward, it should not withdraw in the face of the attacks; you have to stay where you are, at least.

Concerning the participation in the elections, this is our sole aim, as I have said earlier. We will become victims if elections cannot be held. I would like to draw the conclusion that if elections cannot be held in 1993, it will not be possible to hold them in the year 2000 either. This is because UNTAC is spending U.S. $2 billion with over 20,000 staff; and if this cannot organize elections, nothing will before the year 2000. I will be only 48 years old in the year 2000. I do not know by that time who will stay and who will have passed away. Therefore, what is important is to hold elections as planned. If we cannot hold elections, we can reach the conclusion that we have been defeated by the Khmer Rouge. The United Nations will lose all its credibility through its operations in Cambodia.

My hope is that if we organize our work well from now on, elections could be held even without the Khmer Rouge. The Khmer Rouge should be left out and be considered insurgents in order to enable people everywhere to take part in the elections.

I think I will end it here. I would like to thank Your Excellencies and ladies and gentlemen for following my talk. Once again, I wish you every success in your work.

Indonesia

Detained Fretilin Leader Declines Legal Aid

BK0501080093 Hong Kong AFP in English 0339 GMT 5 Jan 93

[Text] Jakarta, Jan 5 (AFP)—Captured East Timorese pro-independence leader Xanana Gusmao has declined an offer of legal assistance from the Indonesian Legal Aid Foundation (YLBHI), a lawyer for the organisation said Tuesday.

"I have yesterday received a handwritten letter in Portuguese from Xanana (Gusmao) in which he basically said he did not need our assistance yet," YLBHI lawyer Luhut Pangaribuan told AFP.

Pangaribuan said the foundation, a leading Indonesian human rights and legal aid organisation, had sent Gusmao, 45, a written offer of legal assistance on December 18 after unsuccessful attempts to meet him. The offer followed a demand by an unidentified family member of Gusmao, Pangaribuan said.

"I am very thankful for your preparedness to defend me in this (judicial) process. However, I want to confirm that I do not need the assistance of your organisation," Pangaribuan quoted Gusmao as having written in the letter. In the letter, dated December 20 and transmitted by General Intelligence Chief Colonel Ahwil Luthan, Gusmao gave no reason for his rejection of the offer, Pangaribuan said. Gusmao did not say whether he had already chosen another lawyer, or whether he had any legal representative, the lawyer added.

Gusmao was the head of the armed wing of Fretilin, the East Timorese pro-independence movement which has been fighting against Indonesian presence in the former Portuguese colony since 1975. He was captured in a raid on a house in western Dili, East Timor on November 12 and it is believed that he is currently being detained in the capital.

Jakarta has said that Gusmao will soon be brought to court in Dili on charges of plotting against the state, which carries a life sentence as a maximum penalty.

"If that is what Xanana (Gusmao) really wants, then we (YLBHI) can only respect his decision. But we do not know for sure whether it was really his decision," Pangaribuan said. He also said that he had heard that the police had named Sujono, a lawyer of the Indonesian Bar

Association (IKADIN) who often deals with police cases, to take up Gusmao's defence in court. Sujono could not be contacted Tuesday.

Soldiers Promoted for Capture

BK0501115893 Jakarta THE JAKARTA POST in English 14 Dec 92 p 2

[Excerpts] Dili, East Timor (JP)—Army Chief of Staff General Edi Sudrajat on Saturday [12 December] rewarded 22 Red Beret soldiers with promotions for their efforts in capturing Jose Alexandre "Xanana" Gusmao, the leader of the FRETILIN [Revolutionary Front for an Independent East Timor] rebel movement.

Each of the soldiers in the army's special Red Beret troop received an "extraordinary" promotion, an advancement of one rank conferred because of outstanding service. One of the promoted officers, Joao A. de Jesus Costa, is an East Timorese. [passage omitted].

Edi said at the military ceremony over the weekend that the soldiers deserved the "extraordinary" promotion, which is granted only in highly unusual circumstances, because the nature of their achievements and the gravity of the situation.

Also on hand were East Timor Governor Abilio Jose Osorio Soares, Chief of the East Timor Field Military Commander Brigadier General Theo Syafei, Red Beret Commander Brig. Gen. Tarub, Chief of the Army Strategic Command Major General Kuntara, and Chief of the Army Information Center Brig. Gen. B. Hartadi.

Xanana is now being held at the National Police Headquarters in Jakarta, while Armandina, her husband and a number of others are being detained by the military in East Timor.

The former FRETILIN separatist leader will be tried in a civil court in Dili within three months.

Suharto Allows Investigation of PDI Leaders

BK0501125893 Jakarta Radio Republik Indonesia Network in Indonesian 1200 GMT 5 Jan 93

[Text] President Suharto has given special permission to the Attorney General's Office to investigate Suryadi and Nico Daryanto, chairman and secretary general of the PDI [Indonesian Democratic Party], on the abduction and assault case of two former PDI activists by several members of PDI's Jakarta chapter. Speaking in Jakarta today, Suparman, head of the Public Relations Division of the Attorney General's Office, confirmed that the president's special permission was contained in a letter written by Minister- State Secretary Murdiono dated 8 December 1992.

The president's special permission is needed by the Attorney General's Office because the two men are members of the People's Consultative Assembly. Upon receipt of the letter, Attorney General Singgih in turn handed over the letter to the Jakarta District Prosecutor's Office to carry out the investigation.

Intelligence Chief Views 1993 Security Situation

BK0501133093 Jakarta Radio Republik Indonesia Network in Indonesian 1200 GMT 5 Jan 93

[Text] Sudibyo, chief of the State Intelligence Coordinating Agency, believes there is no more threat from the GPK [Security Disturbance Group] in 1993 because of intensive territorial operations launched by ABRI [Indonesian Armed Forces] in 1992. Speaking to reporters in Jakarta today, Sudibyo said, militarily speaking, the GPK activities in several provinces are no longer significant and their activities have now turned into individual acts. While the GPK has ceased its security disturbance activities, the government must remain vigilant against individuals who want to disturb peace and security.

Sudibyo also stressed the need to maintain vigilance against issues related to ethnic groups, religion, race, and intercommunity conflicts because they are still very sensitive in the country. In this connection, the media plays an important role and must not carry negative reports that will inflame negative emotions.

PPP Chief Urges Severing Ties With Yugoslavia

BK0601094293 Jakarta ANTARA in English 0628 GMT 6 Jan 93

[Text] Jakarta, Jan 06 (OANA/ANTARA)—The United Development Party (PPP) is urging the Indonesian government to immediately severe diplomatic relations with Yugoslavia, calling for trial as a war criminal for the fascist regime by the international court.

The quasi-Muslim political party made the call when commemorating its 20th anniversary at its headquarters here on Tuesday night.

PPP General Chairman Ismail Hasan Metareum in his address said Yugoslavia has long been disbanded following the break-away of some of its republics like Croatia, Slovenia and Bosnia-Hercegovina.

Only Serbia and Montenegro maintained the federation, he said.

The party also urged the United Nations Security Council to take necessary steps in an effort to end the military aggression by Serbia and to restore peace in Bosnia-Hercegovina.

Ismail called on his partisans and the Indonesian people to increase their humanitarian aid to relieve the sufferings of their Bosnian and Hercegovinian brothers.

The PPP leader also appealed to the Indonesian Government to urge the Non-aligned Movement nations and other United Nations member-countries to condemn the act of the Israeli Zionist regime against the Palestinian people.

We urge the United Nations to adopt drastic steps, put an end to the Zionist-imperialistic actions and force them to quit the Palestinian territory, the party leader stressed.

During the commemoration, tokens of appreciation were conferred to PPP founders, including K.H. Dr. Idham Khalid (then Nahdatul Ulama General Chairman), M.H.S. Mintareja (Parmusi), H. Anwar Jokroaminoto (PSII), H. Rusli Halil (Perti), K.H. Masykur and K.H. Bisri Syamsuri.

Reflecting the 20-year political life course, Ismail Hasan still noted weaknesses in the development of the economic and political democracy in the country.

Australia Repatriates Final Group of Fishermen

BK0601070393 Jakarta Radio Republik Indonesia Network in Indonesian 0600 GMT 6 Jan 93

[Text] The Australian Government today released another 11 fishermen from Tanjung Balai Karimun, Riau. The fishermen had been detained by Australian immigration authorities since 25 November 1992 for allegedly entering Australian waters illegally.

According to the head of the East Nusatenggara Social Affairs Department, (Lamberto Slabi), repatriation of the 11 Indonesian fishermen detained by the Australian immigration authorities was approved after a complete investigation was conducted into the alleged case.

The fishermen will board a Surabaya-bound cargo vessel for home while the East Java Social Affairs Department will make arrangements to return them home to Riau.

The 11 fishermen who were repatriated are the final group of fishermen after Australia recently repatriated seven of their colleagues on Friday and another group of 40 last Saturday.

Laos

Leaders Greet Cambodian Counterparts

BK0601041593 Vientiane Vitthayou Hengsat Radio Network in Lao 0000 GMT 6 Jan 93

[Joint greetings message from President Nouhak Phoumsavan, chairman of the Supreme People's Assembly, and Prime Minister Khamtai Siphandon, chairman of the Lao People's Revolutionary Party Central Committee, to Heng Samrin, chairman of the Council of State, Chea Sim, chairman of the Cambodian People's Party and chairman of the National Assembly, and Hun Sen, chairman of the Council of Ministers of the State of Cambodia; dated 6 January]

[Text] On the 14th anniversary of the National Day of the State of Cambodia, on behalf of the Lao People's Revolutionary Party [LPRP], the Supreme People's Assembly [SPA], and the Government and people of Laos, we are elated to convey warm greetings and best wishes to Your Excellencies, and through Your Excellencies to the Cambodian People's Party, the Council of State, the National Assembly, and the Government and the fraternal people of Cambodia.

Throughout the past 14 years, the Cambodian People's Party and the Government and heroic people of Cambodia have contributed greatly to defending, rebuilding, and developing the Cambodian nation and translating into reality the national reconciliation line. We have highly assessed the progress achieved in carrying out the national reconciliation cause of the Supreme National Council [SNC], with Prince Norodom Sihanouk as chairman, which has tirelessly made efforts, in a high spirit of responsibility, to overcome various obstacles in order to systematically and firmly settle the Cambodian problem and bring peace to Cambodia in the process of implementation of the Paris accord.

The Lao People's Democratic Republic [LPDR], as a signatory state of the Paris accord and a neighboring country, pledges to continue to give support and make contributions as possible to the process of peace and national reconciliation in Cambodia in order to turn Cambodia into a peaceful, independent, unified, neutral, and nonaligned country so it can establish good relations with all countries, particularly neighboring countries, and contribute to building Southeast Asia into a region of genuine peace, stability, and cooperation. We are convinced that the longstanding relations of friendship, fraternal solidarity, and cooperation between Laos and Cambodia will be increasingly developed and strengthened.

On this glorious occasion, we wish Your Excellencies and the fraternal Cambodian people good health and new, still greater success in the national reconciliation cause.

On the same occasion, His Excellency Phoun Sipaseut, deputy prime minister and minister of foreign affairs of the LPDR, has also sent a greetings message to His Excellency Hor Namhong, minister of foreign affairs of the State of Cambodia.

Leaders Thank Cubans for Greetings

BK0101075293 Vientiane Vitthayou Hengsat Radio Network in Lao 1200 GMT 28 Dec 92

[Text] On 25 December, Nouhak Phoumsavan, president of the state, and Khamtai Siphandon, prime minister of the Lao People's Democratic Republic [LPDR], jointly sent a message of thanks to Fidel Castro Ruz, president of the Council of State and Council of Ministers of the Republic of Cuba, for the greetings Fidel Castro Ruz conveyed to our Lao leaders on the occasion of the 17th anniversary of the establishment of the LPDR.

The message reads: On behalf of the party, Government, and people of Laos, we would like to express profound thanks to the party, state, and fraternal people of Cuba. We are convinced that the traditional relations of friendship and cooperation between the two parties, states, and peoples of Laos and Cuba will be further enhanced, developed, and strengthened.

In the message, our Lao leaders also wished Fidel Castro Ruz good health and still greater success in the cause of defending and building the country.

On the same occasion, President Nouhak Phoumsavan also sent a message of thanks to Fidel Castro Ruz for the warm greetings the latter extended to him on his election as president of the LPDR.

Phoun Sipaseut, deputy prime minister and minister of foreign affairs of the LPDR, has also sent a message of thanks to Ricardo Alarcon de Quesada, foreign minister of the Republic of Cuba, for the latter's greetings on the occasion of the 17th anniversary of the LPDR.

Philippines

NUC, MNLF Plan 2d-Round Talks for Jan

HK0601054093 Manila MANILA BULLETIN in English 6 Jan 93 p 1

[Text] Government representatives and leaders of the Moro National Liberation Front (MNLF) will hold a second round of exploratory talks in Jakarta this month, it was learned from sources at the Department of Foreign Affairs (DFA).

The peace talks, confirmed by National Unification Commission (NUC), have been scheduled between Jan. 18 and Jan. 23 to be held in an agreed neutral territory such as Indonesia.

The NUC negotiating team will be headed by Batangas Rep. [Representative] Eduardo Ermita, accompanied by Tawi-Tawi Rep. Nur Jaafar and Silvestre Afable, a former defense department consultant.

MNLF leader Nur Misuari has reportedly agreed to the site for the talks but the other members of the MNLF panel, which will include a secessionist guerrilla leader operating in Mindanao, have not yet been finalized.

The meeting will be the second phase of the exploratory talks which began in Tripoli, Libya, last October, during which the government agreed to continue the peace negotiations with the MNLF abroad.

In last year's talks, the government decided to hold the next meeting within the framework of the original Tripoli Agreement and in a country which is a member of the Organization of Islamic Conference (OIC).

According to the NUC, the second round of talks was scheduled for the first two weeks of January 1993, but had to be put off to give way to the official visit of the Japanese Prime Minister to Jakarta.

Indonesia had hosted several peace meetings, such as the talks on the peaceful settlement of the Cambodia issue and the informal talks among the six-nation claimants to the Spratlys.

Awang Bahrin, press attache of the Indonesian Embassy in Manila, said the Indonesian government has not yet received the official request for the meeting but he assured that such a proposal would be most welcome.

NUC Still Undecided on Venue

HK0601070893 Quezon City ABS-CBN Broadcasting Corporation DZMM in Tagalog 0400 GMT 6 Jan 93

[Text] The National Unification Commission [NUC] has yet to discuss tomorrow the details of the second round of exploratory peace talks between the government and Muslim rebels, particularly the Moro National Liberation Front [MNLF]. Congressman Eduardo Ermita made this point clear following reports that the talks will be held in Jakarta, Indonesia, some time between 18 to 23 January. Ermita said the NUC is still undecided on the venue of talks and is still awaiting MNLF Chairman Nur Misuari's suggestions on this matter.

[Begin Ermita recording] This report came about probably because—as we all know—Indonesia is a member of the Organization of Islamic Conference. It may also be possible that the report came about because of the great assistance that Indonesia has been extending to us in our meetings with the MNLF. The report may have also originated from Jeddah.

The truth is that we have not met on this matter, and the NUC has not finalized anything as of now. Plus these things must go through the president first. [end recording]

NDF Chairman Says Peace Talks To Resume

HK0601110893 Quezon City ABC-DWET Television in Tagalog 1000 GMT 6 Jan 93

[From the "ABC-DWET News Program"]

[Text] National Democratic Front [NDF] chairman Jose Maria Sison has sent a message from the Netherlands saying the NDF is once more ready to hold talks with the government in order to push through with the peace process. Sison, however, clarified his group will separate from the talks anytime the government makes what he calls "malicious schemes."

The exploratory talks between the National Unification Commission and the NDF were halted after President Fidel V. Ramos refused the NDF leaders' proposal to hold the talks abroad, after which a long-standing rift within the communist rebel movement, where the Communist Party of the Philippines-New People's Army-NDF leaders threw criticism at each other, was exposed.

Sison earlier charged the Ramos administration for strengthening its offensive against leftist rebels in the barrios.

Dutch Voice 'Cautious Optimism' for Peace

HK0601062193 Quezon City MALAYA in English 6 Jan 93 p 9

[Report by Jose G. Ebro]

[Text] The Dutch Government has voiced cautious optimism for President Ramos's efforts to bring communist rebels back into the fold, envoy to The Hague Romeo Arguelles reports.

In a recent message faxed to Foreign Undersecretary Rodolfo Severino, Mr Arguelles recounted his meetings with Dutch Foreign Ministry officials.

The Dutch Government, Mr Arguelles was told, is "closely monitoring what President Ramos is doing in pursuit of the 'democratization process' in the country."

The Director General for the Dutch Foreign Ministry's Office for International Cooperation, L.P. Mazairac even "expressed the view that the Dutch Government is 'encouraged' by what (Mr.) Ramos has done so far in trying to solve the insurgency problem and to bring about political stability," Mr. Arguelles reported. Mr. Mazarsic told the Philippine envoy that the Dutch Government puts great importance on reports sent by NGOs [nongovernment organizations] working in the country.

A better image does not mean increased ODA [overseas development assistance] flows, however. For now, the Dutch officials have indicated a preference to course their ODA through the NGOs rather than to resume a bilateral aid program.

Given the higher per capita income of the Philippines as compared to countries of the sub-Sahara, it will receive lower priority in considerations for ODA, Mr. Arguelles said.

Requests for increased ODA are also complicated by the fact that a balance of some P160 [Philippine pesos] million from the sale of fertilizers provided under the Dutch import support program (of 1987 to 1990) remains undisbursed.

Military Document Describes CPP Structure

HK0601060993 Manila PHILIPPINE DAILY INQUIRER in English 6 Jan 93 p 1

[Text] The Communist party of the Philippines [CPP] has abolished its major military area commands in favor of company-size units, most of which are deployed in the Visayas and Mindanao, according to a top-level military report.

The decision to maintain only company-size units was made during a plenum in Bicol last July, the document said.

The document said the Central Committee also ordered the disbandment of the special operations command of the NPA [New People's Army] General Command, the urban guerilla unit Alex Boncayao Brigade and the National Organizational Commission.

A total of 13 NPA companies are deployed in the Visayas and Mindanao, whose leadership have allied with three ranking communists opposed to exiled CPP founder and chairman Jose Ma. Sison.

Sison, who is based in the Netherlands, is supported by the Central Committee and party cadres overseeing operations in Northern Luzon, Central Luzon and Southern Luzon.

The report identified Romulo Kintanar, former NPA chief, as the leader of the anti-Sison faction.

The AFP [Armed Forces of the Philippines] document said the Central Committee gave the orders to "maintain and strengthen" 19 companies all over the country. They include four companies in Northern Luzon; one in Southern Tagalog; one in Bicol; eight in the Visayas and five in Mindanao.

The Northern Luzon Commission is headed by Leo Velasco and his wife, Elizabeth Principe, both allied with Sison. Armando Teng and Allan Jazmines of the Southern Luzon Commission have also expressed support for the exiled founder of the CPP.

Backing the Kintanar faction are: Arturo Tabara, head of the Visayas Commission; Antonio Cabanatan and Prudencio Calubid, both of the Mindanao Commission; Manjet Manalo of the United Front Commission; Nilo de la Cruz of the Political Military Bureau of the Manila Rizal Regions' Party Commission [MRRC]; and Felimon Lagman, also of the MRRC.

Ricardo Reyes and Benjamin de Vera, both ranking communist leaders who were recently released from prison along with Kintanar and other communist leaders, have expressed support for the former NPA chief.

But Benito Tiamzon and his wife, Wilma Austria, who were elected during the plenum as Sison's deputies, remain as Sison's staunchest allies.

The report described members of Sison's faction as "fundamentalist" for their adherence to the basic Maoist strategy of waging a long guerilla warfare by encircling the cities from the countryside.

The same report described the dissenters allegedly led by Kintanar as "revisionist military adventurists" for their insistence on increased urban guerilla warfare and mass actions.

Reyes is the alleged former CPP secretary general while De Vera was the alleged former chief of the Mindanao Commission.

Sison has openly branded Kintanar, Reyes and de Vera as traitors and "government agents ...out to decapitate the party." The three have denied the charges.

The report described the group of Kintanar as trying "to project maverick schemes to assert dominance over the party leadership."

The report said Sison, who founded the CPP in 1969, seems to have gained the upper hand in the power struggle and "remains the acknowledged leader of the party."

The AFP claims it had cut down the NPA strength by 50 percent from a peak of 25,800 regulars in 1985, whittled the number of guerilla fronts to 42 from a high of 73 in 1988, and slashed the mass base to 2,800 barangays from 7,800 five years ago.

Abadia Defends AFP Operations Against Rebels

HK0601091393 Manila Manila Broadcasting Company DZRH in Tagalog 0800 GMT 6 Jan 93

[Text] Armed Forces of the Philippines [AFP] chief General Lisandro Abadia today rejected the National Democratic Front's allegation that continued military operations were threatening the peace process. The statement was made by General Abadia in reaction to NDF Vice Chairman Luis Jalandoni's earlier allegation that the military offensive serves as an obstacle to the ongoing peace initiatives. Abadia said the Armed Forces cannot allow the communist movement to defeat the government forces which are protecting the citizens while awaiting the peace negotiations' results.

Ramos To Make 3-Day State Visit to Malaysia

HK0601005393 Quezon City ABC-DWET Television in Tagalog 1000 GMT 5 Jan 93

[Text] President Fidel V. Ramos will make a three-day visit to Kuala Lumpur, Malaysia starting 27 January. The meeting between Ramos and Malaysian Prime Minister Mahathir bin Mohamed is expected to improve existing bitter relations between the two countries due to the issue regarding the Sabah claim.

The state visit will be the first time a Philipine president will hold bilateral talks with his counterpart. Former President Ferdinand E. Marcos went to Malaysia in the 1960's, but this was for the ASEAN conference.

Ramos' visit to Malaysia is expected to improve economic as well as diplomatic relations between the two nations.

Inflation Rate Declines to 8.9 Percent in 1992

HK0601060293 Quezon City MALAYA in English 6 Jan 93 p 9

[Text] The country's inflation rate slowed down to a 1992 low of 8.2 percent last December. In November, the inflation rate was 8.5 percent. For the whole year, average inflation rate was set at 8.9 percent, much lower than the 1991 average of 18.7 percent. In Metro Manila, the average inflation rate for 1992 was 12.2 percent compared with 20.7 percent in 1991. In areas outside Metro Manila (AOMM), the average rise in prices was 7.9 percent compared with 18.1 percent.

The National Statistics Office yesterday said that prices in Metro Manila for the first time in the year grew by only a single-digit of 9.9 percent. Similarly, the inflation rate in areas outside Metro Manila slowed down to 7.6 percent from 7.8 percent in Nov. The lower inflation rate was due to lower increase in prices of food, beverage and tobacco in Metro Manila, from six percent growth in November to four percent last month.

Prices of services and miscellaneous groups also showed lower increases, decrease to its present level. However, in AOMM, declaration in the annual rates of the services, and miscellaneous items and the slight decrease in the rate of the food, beverages and tobacco items (7.0 percent to 6.8 percent) were tempered by the increases in the annual increments of the housing and repairs and clothing items. Hence, the inflation rate in the area went down by only 0.2 percentage points.

Average inflation rates for the whole year of 1992 were noted at 8.9 percent in the Philippines, broken down to 12.2 percent in metro Manila and 7.9 percent in AOMM. These figures were much lower as compared to the 18.7 percent, 20.7 and 18.1 percent average rate in 1991 in the Philippines, Metro Manila and AOMM, respectively.

Government Refuses Westinghouse Settlement Offer

HK0501085093 Manila THE MANILA CHRONICLE WEEKLY in English 5 Jan 93 p 3

[Report by Booma Cruz]

[Text] The Ramos government has rejected another offer from Westinghouse to settle the bribery case surrounding the Bataan Nuclear Power Plant (BNPP), Finance Secretary Ramon del Rosario said yesterday.

Del Rosario, head of the presidential committee on the BNPP, said the offer was no better than what Westinghouse officials had been making during the negotiations for an out-of-court settlement that stopped the trial of the bribery case in New Jersey.

"So we are proceeding with the litigation" of the charges that Westinghouse had bribed the late president Ferdinand E. Marcos in securing the contract for the $2.3-billion power plant, the secretary added.

The government had slammed door on Westinghouse to operate the BNPP because the latter's "final best" offer was not economically viable. It had agreed to entertain another offer but this "did not have anything to do with the operation of the nuclear plant as a nuclear facility," del Rosario said.

The new offer was in the form of discount on non-nuclear power plants.

The New Jersey court had not scheduled the resumption of the case but Solicitor General Raul Goco is to leave for Washington on Jan. 12 to check on this.

Del Rosario said the government would start entertaining offers on operating the BNPP as soon as the trial against Westinghouse resumed.

"We have not been able to address the indications of interest (on the BNPP) because we're still trying to clean up this Westinghouse situation. But once trial commences we will begin talking to other parties," he said.

The revived Department of Energy and the National Power Corp. will evaluate the new offers, the secretary added.

The government had charged Westinghouse with paying $17.3 million to Marcos in winning the bid for the BNPP.

Thailand

Government Supports UN Resolution on Cambodia

BK0501142993 Bangkok Army Television Channel 5 in Thai 1215 GMT 5 Jan 93

[Text] With reference to Prince Norodom Sihanouk's announcement, Foreign Minister Squadron Leader Prasong Sunsiri said that the Cambodian peace process would not be achieved if there was no cooperation between the chairman of the Supreme National Council of Cambodia and the United Nations, and this could affect the Cambodian election scheduled for the middle of this year. He said Thailand considers this as an internal Cambodian affair that should be settled among the Cambodian factions.

[Begin Prasong recording] ... an indication that the Cambodian problem would not be easily settled, as long as the outsiders do not listen to them. I have said many times that the problem of Cambodia should be settled among the Cambodian factions themselves. [end recording]

The Thai Government, on the same day, issued a confirmation that Thailand's commitment to the UN resolution remains unchanged.

[Begin recording] [Government spokesman] ... and after checking, we must confirm that the report was not true. Thailand always upholds its commitment to UN resolutions. There have been no violations. [end recording]

Lieutenant General Anuson Kritsanaserani, director of the Supreme Command's Information Office, meanwhile, stated that the Armed Forces are prepared for any eventuality and will give full support to concerned government agencies.

[Begin Anuson recording] According to the reports we have received from the Navy and Army, our forces, including the police, are well prepared to thwart any kind of eventuality. I would like to assure you of the smooth implementation of the government's policy of closing the border checkpoints in keeping with the UN resolution. According the report we have received, no logging trucks have entered our country through those checkpoints. Everything was smooth. [end recording]

Premier Reaffirms Commitment

BK0601074893 Bangkok Radio Thailand Network in English 0000 GMT 6 Jan 93

[Text] Prime Minister Chuan Likphai yesterday reaffirmed Thailand's position on the United Nations Security Council's resolution on Cambodia. In his remarks to the Cabinet before going into items on the agenda, the prime minister told Cabinet members that Thai-Cambodian border had been all sealed off in compliance with the United Nations' resolution on trade sanctions against the Khmer Rouge. The prime minister asked authorities to investigate reports and pictures showing log transportation from Cambodia and was informed that the report was not based on current situation. The Ministry of Foreign Affairs, he said, kept on seeking repreive for Thai traders. However, full compliance with the SNC [Supreme National Council of Cambodia] and the United Nations Security Council's resolutions had been made by Thailand since 31 December 1992.

The prime minister mentioned that as long as a lasting peace was not created in Cambodia, Thailand would face difficulties and adverse effects. Thus, Thailand would explore all avenues towards peace in that country, and would keep close watch on the situation there with interest.

The prime minister also told the Cabinet that he met leaders of the private sector representing the Federation of Thai Industries, the Board of Trade of Thailand, and the Thai Bankers Association at an informal dinner on Monday. He asked those leading business people to help accelerate the government's decentralization program so that progress would be seen all the country thus boosting their business opportunity at the same time.

Japanese Deny Cambodian Logging Violations

BK0601011593 Bangkok BANGKOK POST in English 6 Jan 93 p 4

[Letter from the Japan Information Office, Embassy of Japan, published in the "Post Bag"]

[Text] In recent newspaper articles in Bangkok, an allegation has been made that a number of Japanese companies are doing business related to the export of timber from Cambodia. It was also alleged that the Japanese government's support for UN Resolution No.792 was derived from its intention to gain commercial benefits for those companies from the implementation of the resolution, which includes a ban on log trade.

These allegations are totally groundless.

The government of Japan sincerely hopes that a lasting peace will be established in Cambodia on the basis of the Paris Peace Agreements. With this attitude, it made joint efforts with the government of Thailand to persuade Democratic Kampuchea to abide by the agreements.

Japan's support for the UN resolution is also based on the conviction that the resolution would help restore the peace process in Cambodia. There is absolutely no element of commercial consideration behind Japan's policy on Cambodia .

At present there is only one Japanese company engaged in timber business in Cambodia. The company established a joint venture "COLEXIM," with the Ministry of Agriculture of the State of Cambodia in 1991. It exports approximately 6,000 cubic metres of timber per year to Japan.

I would also like to add that the Japanese government on December 10 urged the four major associations of Japanese companies in Japan to suspend the import of logs from all parts of Cambodia including the areas of the State of Cambodia as of December 31, 1992.

GATT Negotiating Team Appointed

BK0601034593 Bangkok THE NATION in English 6 Jan 93 p B1

[Text] Cabinet yesterday appointed Deputy Prime Minister Supachai Phanitphakdi to head the Thai negotiating team to handle the conclusion of the Uruguay Round of multilateral trade talks.

Bat Itsarasena, permanent secretary of Commerce Ministry, was also appointed head of the senior Thai officials at the General Agreement on Tariffs and Trade (GATT).

The Thai negotiating team will attend the meeting of the Uruguay Round's Trade Negotiating Committee (TNC), the full forum of GATT, which will start meeting in the middle of this month.

Sudarat Kayaraphan, the government deputy spokeswoman, said that the Thai negotiating team is also authorised to sign an accord on the initial commitments to the 15 sectors, including agriculture, textiles, and trade in services, covered by the Uruguay Round.

The recent breakthrough between the United States and the European Community over the farm subsidy argument has led to a belief that the talks under the Uruguay Round, which have been dragging on for six years, will soon reach a conclusion.

The Economic Ministerial Meeting on Monday accepted the Commerce Ministry's assessment of the details of GATT's draft final and its impact on the domestic market.

The details include the protocol to the GATT; rules of origin; pre-shipment inspection; anti-dumping; technical barriers to trade; import licensing procedures; subsidies and countervailing duties; customs valuation; agriculture; safeguards; trade-related aspects of investment measures; textiles and clothing; GATT articles; understanding on rules and procedures on dispute settlements; functioning of the GATT system; trade in services and trade-related aspects of intellectual property rights, including trade and counterfeit goods.

Ministry: GATT Pact Would Benefit Thailand

BK0601035793 Bangkok THE NATION in English 6 Jan 93 p B2

[Text] On balance, the potential agreements at the Uruguay round of General Agreement on Tariffs and Trade (GATT) will be beneficial to Thailand, according to a report from the Commerce Ministry.

The Thai Government expects that the 108 members of GATT will be able to conclude the round by March this year.

Among the main points of the Uruguay Round, the final draft agreement will allow wider market access, in which individual participants will make binding commitments to reduce specific tariffs and non-tariff barriers against trade.

Also of crucial importance are the initial commitments currently being negotiated in the context of the new General Agreement on Trade and Services.

Both the United States and the European Community have come up with agreements on the farm subsidies recently. These breakthroughs have led to a belief that the round, which began in September 1986 in Punta del Este, will conclude soon.

The report from the Thai Commerce Ministry said that if the Uruguay Round concludes as expected, Thai farm produce exporters will be able to sell more products in world markets as GATT members will be asked to provide access for imports, opening their doors to a minimum of 5 per cent of usual domestic consumption.

Japan and South Korea, which are potential markets for Thai farm outputs, are currently banning imports of rice. However, the Commerce Ministry expects the volume of rice imports in world markets will increase by 360,000 to 600,000 tonnes annually if both allow access to 3-5 per cent of their respective total domestic consumptions.

The cuts in farm subsidies will also make farm prices move up from current levels, the ministry reported. It cited a report from the United Nations Conference on Trade and Development, which stipulated that prices of rice and sugar will rise by 18.3 and 10.6 per cent respectively, if the round concludes.

And based on the scenario that GATT members can settle their disputes under terms of the Uruguay Round, Thailand will also benefit from the increasing value of international trade. The formula is expected to help make international trade value grow by Bt [baht] 2.5 trillion.

About 70 per cent of the Thailand's gross domestic product comes from exports—in 1991 Thailand exported Bt725.45 billion worth of goods.

On the textiles and clothing front, the Commerce Ministry projects that Thai exporters will be able to double their sales within 10 years, once GATT regulations are applied instead of the Multi-Fibre Arrangement (MFA).

The MFA stipulates export growth and volume according to bilateral quota negotiations.

Textiles were the most active export sector of Thailand in 1991, with a trading value of Bt 125.5 billion. Thai textile exporters sold 44 per cent of the total under the quota agreement.

However, the report cautions that the forecast is based on the assumption that Thai exporters can develop product quality to be competitive against exports from Taiwan, Hong Kong, China and Indonesia.

The GATT rules will also reduce the pressure placed on Thailand by major economies, which have been threatening to impose retaliatory trade measures against Thai exports if the Kingdom fails to comply with their requirements.

For instance, Thailand can ask its United States counterparts to settle the ongoing dispute over inadequate protection of intellectual property in Thailand by using the GATT forum, instead of applying a bilateral approach. The US Trade Representative has been threatening to use Sanction 301 of the US Trade Law to hinder Thai exports if it is not satisfied with Thai Government action on US intellectual property protection.

And the Commerce Ministry also suggested that Thailand would have to reduce import tariffs to comply with the GATT spirit. The report suggested that the government should cut tariffs on 4,231 items of agricultural and manufactured goods by an average 21 per cent within five years. Currently, the total is 6,247 items.

Thailand would also have to transform the non-tariff barrier into a tariff quota to comply with GATT rules.

The report said the import tariff cut and the elimination of import restrictions will help the Thai economy improve since it will bring new foreign investment into the country, because of its lower raw material costs.

On the agricultural side, the ministry reported that farm prices on world markets will increase simultaneously if major farm produce countries cut their domestic farm subsidies to comply with GATT rules.

In 1990, the United States subsidized its local farmers to the tune of Bt1.186 trillion. The EC spent Bt966 billion subsidizing its farmers in the same year.

However, the Thai farm subsidy budget is still small compared to others. Just Bt36.9 billion was spent to subsidize farm output in 1990.

Envoy to SRV Notes Problems in Bilateral Ties

BK0601024993 Bangkok THE NATION in English 6 Jan 93 p A2

[Text] Thailand has been unable to forge closer ties with Vietnam due to several pending bilateral problems, outgoing Thai Ambassador to Vietnam Suraphong Chaiyanama said yesterday.

In comparison with other ASEAN countries, Thailand has more unsettled issues with Vietnam such as overlapping territorial waters and the fate of the Thai-Vietnamese community here, Suraphong said.

"Thailand has to work harder to strengthen mutual relationships with Hanoi, which wants to play a larger economic role in ASEAN and the Indochinese countries," added the envoy, who has just completed his two-year tour of duty in Vietnam.

He said so far Thailand and Vietnam have signed nine government-to-government agreements, mostly during the two administrations of former Prime Minister Anan Panyarachun.

The envoy was speaking at a seminar on "Thai-Vietnam Relations" organized by Chulalongkon University's Institute of Asian Studies.

The fisheries agreement would require at least 10-12 years to conclude, the envoy said, adding that the accord could be finalized if the longstanding conflicts of overlapping maritime zones are solved.

As a temporary measure, both countries have decided to jointly develop the disputed territorial waters while attempting to delineate the overlapping zones.

He said the process of granting Thai citizenship to second and third generations of Thai-Vietnamese community has been thrown into uncertainty now.

Suraphong said according to a Vietnamese regulation, those who want to abandon their Vietnamese citizenship need the government's pemmission. Australian-naturalized Vietnamese were reportedly arrested when they returned to their homeland, he added.

However, Vietnam softened its stand during Foreign Minister Prasong Sunsiri's visit promising to acknowledge the Thai move to naturalize Vietnamese refugees.

A Foreign Ministry official monitoring Vietnamese affairs at the same seminar suggested that Thailand has the right to give citizenship to the Vietnamese as it is its internal affair. Vietnam should show its "sincerity" in the matter, he said without elaborating.

Apart from Thailand, other ASEAN countries have problems with Vietnam over the disputed Spratly Islands.

Premier's Visit to Malaysia Previewed

BK0601025193 Bangkok THE NATION in English 6 Jan 93 p A2

[Text] Prime Minister Chuan Likphai's official visit to Malaysia is expected to be marked by his attempt to forge stronger economic bonds between the two nations, according to Foreign Ministry spokesman Sakthip Krairoek.

His first official trip abroad, starting today, is not aimed at initiating any new programme, instead it is expected to revitalize ties that have been in hiatus for about two years, Sakthip said.

He added that Chuan's visit will pave the way for convening the seventh ministerial-level Thai-Malaysian Joint Commission to review bilateral issues in Bangkok next month.

The spokesman said Chuan would during his talks tomorrow with Malaysian Prime Minister Mahathir Mohamad bring up the Thai proposal to buy gas from Malaysia and the construction of a gas pipeline from the northern Malaysian state of Kelantan to the southern Songkhla province at the Gulf of Thailand.

Former Prime Minister Chatchai Chunhawan aired the proposal during his visit to Malaysia before he was toppled in Feb 23, 1991 military coup. The proposal was part of Thailand's ambitious plan to develop an industrial complex in the southern region and a land bridge from the Andaman Sea to the Gulf of Thailand.

It was also aimed at complementing the Malaysian "Northern Growth Triangle" project to develop industries and tourism in northern Malaysian states and Medan in Indonesia.

In his keynote address at a reception dinner hosted by Mahathir today, Chuan is to comment on the compatibility of both countries in terms of democratic development, economic progress, and their geographical proximity, which offered both great opportunities and challenges for them to firm up and diversify cooperation.

Chuan will seize the opportunity to assure the neighbouring country of Thailand's continued attempts to strengthen democracy and economic liberalization—"the core" of his three-month-old administration's national policy.

The government's policy would provide Thailand an opportunity to pursue a constructive role after a two-year lull because of the May political turmoil in helping realize ASEAN's dream of being the centre of economic dynamism in the region.

Chuan will also reiterate his government's commitment to the ASEAN Free Trade Area (AFTA) initiated by his predecessor Anan Panyarachun.

The ambitious programme came into effect on Jan 1 despite initial doubt among ASEAN members over Thailand's ability to enforce the programme after Anan's term expired in September.

In a separate speech to the Malaysian business community tomorrow, Chuan will call for greater cooperation between the private sectors of both countries in realising their respective government's objectives.

He will outline Thailand's economic policy which emphasizes equitable income distribution and infrastructural development. He will also reassure Malaysian businessmen that there would be further liberalization of the financial and banking regimes.

Chuan's 88-member entourage includes all key economic ministers and 40 businessmen.

Sakthip said the prime minister wanted his Cabinet and the private sector to get to know the Malaysian side.

During his three-day visit, Chuan will pay a courtesy call on Malaysian king, the Yang di-Pertuan Agong. Tomorrow he will meet with Mahathir and later both will chair a plenary meeting of both sides on bilateral issues ranging from fishing problems to cross-border trading and related problems.

The delegation will tour the research centre of Malaysia's National Petroleum Company (Petronas). He will return to Bangkok on Friday.

Official on Antidrug Efforts, Money Laundering

BK0301022093 Bangkok THE NATION in English 3 Jan 93 p A2

[Text] Some drug traffickers are taking advantage of the lack of money laundering laws in Thailand to convert their ill-gotten wealth into legal assets through investment in real estate, according to the anti-drug chief.

Pol Gen [Police General] Chawalit Yotmani, secretary general of the Office of the Narcotics Control Board [ONCB], told THE NATION in a recent interview that law enforcement officials were keeping a close watch on the illegal activities.

"We are gathering evidence that can be used to nail drug traffickers and those involved in laundering money," Chawalit said.

But he said it was difficult to trace the origin of a drug trafficker's wealth once the money was converted into legal currencies and property.

Earlier, the ONCB chief proposed that a money laundering law similar to that of the United States be introduced in Thailand.

But the move was strongly opposed by government financial officials and bankers who said it would jeopardize the country's chance to become the regional financial centre in Southeast Asia.

Chawalit said Thailand remained an important transshipment point for heroin destined for Western countries, particularly the United States and in Western Europe.

He said international drugs trafficking rings had switched to employing couriers of other nationalities after law enforcement officials cracked down and arrested several hundred African traffickers in recent years.

According to ONCB statistics, couriers from Hong Kong, Nepal, Australia, Singapore and Korea are being used increasingly by international drug trafficking rackets.

Chawalit also warned that more and more Thais had become addicted to amphetamines, marijuana, heroin and solvents, which are sniffed for their intoxicating effects.

Amphetamine is widely used among industrial workers, particularly longhaul truck drivers and night-shift workers.

Government Tightens Rules for State Enterprises

BK0601033793 Bangkok THE NATION in English 6 Jan 93 p B10

[Text] The government yesterday tightened its grip on state enterprises with the Cabinet approving a set of new rules on supervision of management, investment in state agencies, and the pricing of their services.

Following the appointment of the Prime Minister to chair the National State Enterprises Committee in an effort to inject political will, the new rules are bold and designed to make state agencies more professional, efficient, and responsible to the public.

Some analysts consider the rules to be the most forward looking since the successful state enterprise privatization policy adopted by the former Prem government.

The rules also go some way to breaking down the civil service mentality present in the management of state enterprises, making it mandatory to have at least three non-civil servant directors.

Cabinet yesterday approved the decision to raise the number of directors of state enterprises, where appropriate, from the maximum of 12 to 15 with the condition that the three new directors must be professionals and/or academics.

The National State Enterprises Committee is set to review the performances of the governors, directors, and presidents of state enterprises every two years and make necessary adjustments. Cabinet, in turn, will have to appraise the work of the Committee every two years.

The Committee is also empowered to appoint outside consultants to provide advice to state enterprises on a regular basis, at least twice a year. All state enterprises must also set aside at least 3 per cent of their net profit for manpower development, education, and training of staff. They must also utilise at least another 3 per cent for improving technology.

Enterprises making losses will have to present investment plans for training and technology improvement. Other important rules include:

—State enterprises in utilities, infrastructure and profit-oriented activities must come up with cost accounts to help management make decisions.

—Every state enterprise must file audited quarterly reports in the same manner as listed firms.

—Every state enterprise must have an annual performance audit of revenue and quality of service targets for budgeted expenditure, use of manpower and equipment, outstanding debts, as well as service and investment targets.

—The Council of Economic Ministers will approve all state enterprise investment projects involved in utilities and infrastructure, and those in excess of Bt [baht] 500 million by other state enterprises.

—The infrastructure and utility state enterprises must provide long term investment plans for periods of at least five years and show annual investment plans as well as financial performance for the past five years.

—The investment plans slated for Cabinet consideration must include operations and expansion targets and expected increases in efficiency, production, and productivity or cost reduction. They must also list the amount and source of investment funds, any cooperative ventures with the private sector, together with management and training plans.

—Pricing of products which affect the welfare of people may be reduced if the amount is an excess in relation to the capital fund, assets or other guidelines to be set by Cabinet.

—Any state enterprise which requires deposits for pledges can take government bonds, state enterprise bonds, or bank guarantees instead. The amount should be as small as possible.

—Income to the Treasury will continue to be at least 80 per cent of net profits and 30 per cent for infrastructure and utilities state enterprises. In the case of limited company state enterprises, they must pay at least 40 per cent dividends from net profits. Non-limited company state enterprises must make at least 30 per cent payments to the Treasury. The requirements are for state enterprises engaging in agribusiness, commerce, industry finance, and services.

On general policies, the government will take a free trade line by adopting a market mechanism system to deal with monopolies and unfair competition.

Vietnam

VNA Cites Sihanouk Note on 'Act of Terrorism'

BK0501152193 Hanoi VNA in English 1454 GMT 5 Jan 93

[Text] Hanoi VNA Jan. 5—'I strongly condemn the act of terrorism committed against honest Vietnamese nationals living in Kompong Tralach District, Kompong Chhnang Province, at 21.30 hrs on Dec. 27, 1992'.

So wrote Norodom Sihanouk, chairman of the Supreme National Council of Cambodia (SNC) in a letter dated Jan. 2, 1993 in reply to Foreign Minister Nguyen Manh Cam's note dated Dec. 30, 1992.

The letter said:

'As you know, I always condemn without ambiguity all forms of racial discrimination, first of all the massacre of foreign residents, especially Vietnamese civilians'.

'Whatever problems remain between our two countries and peoples, we need to settle them by peaceful means and negotiations between the two governments (Cambodia will have only one legal government after the general election to be held in April or May, 1993). We cannot accept any act of violence, still less terrorism and murder'.

Do Muoi Eulogizes Hoang Quoc Viet

BK0501115793 Hanoi Voice of Vietnam Network in Vietnamese 1100 GMT 30 Dec 92

[Report on 30 December Hanoi "memorial service" for Hoang Quoc Viet, honorary chairman of the Vietnam Fatherland Front Central Committee—portions recorded]

[Summary] "Dear comrades and friends: A solemn memorial service for Comrade Hoang Quoc Viet, honorary chairman of the Vietnam Fatherland Front [VFF] Central Committee, former member of the Political Bureau of the Vietnam Workers Party now known as the Communist Party of Vietnam [CPV], was jointly held by the party Central Committee, the president of the State, the National Assembly Standing Committee, the government, and the Vietnam Fatherland Front Central Committee at the Ba Dinh confernce in Hanoi this morning. "

Covered with the national flag, the remains of Comrade Hoang Quoc Viet were placed on a dais under a sign which read: Boundless Grief Over the Demise of Comrade Hoang Quoc Viet.

"Attending the memorial service for Comrade Hoang Quoc Viet were: Do Muoi, general secretary of the party Central Committee; Pham Van Dong and Vo Chi Cong, advisers to the party Central Committee; Vo Van Kiet, prime minister; Nong Duc Manh, chairman of the National Assembly; Nguyen Thi Binh, vice president of the state; and various comrades in the Political Bureau and the Secretariat of the party Central Committee, members of the National Assembly Standing Committee, cabinet ministers, and representatives of various branches, sectors, and mass organizations at the central level and in Hanoi."

At 0800, the memorial service began with a military band playing the national anthem. Party General Secretary Do Muoi, chairman of the funeral committee, delivered a eulogy. He said:

"Dear comrades and friends: Comrade Hoang Quoc Viet, honorary chairman of the Vietnam Fatherland Front Central Committee, one of the former leaders of our party and of our country's peasant class, a staunch communist fighter who dedicated his whole life to untiringly fighting for national independence and for the people's freedom and happiness, has passed away. His demise is a great loss to our entire party, Army, and people.

"The comrade was one of the members of the Provisionary Central Committee of the Indochinese Communist Party, former secretary of the Bac Ky [also known as Northern Vietnam] Regional Party Committee, former standing member of the party Central Committee, former member of the Political Bureau of the Vietnam Workers Party now known as the Communist Party of Vietnam, former chairman of the Confederation of Vietnamese Workers, former standing member of the World Confederation of Trade Unions, former procurator of the Supreme People's Organ of Control, and former deputy to the National Assembly from its second to seventh terms of office, former chairman of the Vietnam-China Friendship Association, and former chairman of the Presidium of the VFF Central Committee.

"Comrade Hoang Quoc Viet was born as Ha Ba Cang on 28 May 1905 at Dap Cau village, Vo Giang district, Bac Ninh province now known as Ha Ba province. As an outstanding disciple of President Ho Chi Minh, Comrade Hoang Quoc Viet had nearly 70 years of activity behind him and had made many great contributions to the revolutionary undertaking of our party and our people and had won immense admiration and love from our peasant class.

"Right from his youth, the comrade, as a student, took part in various class boycotts and demonstrations in protest against colonialism for bringing patriotic scholar Phan Boi Chau to trial. The comrade was later dismissed from school and then became a revolutionary.

"Born to a worker family, the comrade blended in with the worker circle. While engaging in revolutionary activities, he earned his living as a worker at various areas from the (Hue) and Mao Khe coalmines to the Cao Lam machinery plant in Haiphong. It is there that the comrade, together with Comrades Ngo Gia Tu, Nguyen Duc Canh, Duong Minh Thien, and To Tam, quickly acquired the lofty thinkings of Nguyen Ai Quoc [former name of Ho Chi Minh] and later became member of the Association of Like-Minded Revolutionary Youths—the precursor the Indochinese Communist Party.

"The comrade went through the many wonderful months and years as a youth after he had arrived with the revolutionary cause. Steeled in the boisterous struggle, he participated in the activities of various units, ranging from a chapter of the Association of Like-Minded Revolutionary Youths to the first-ever chapter of the communist party in preparation for the birth of the Indochinese Communist Party.

"In 1929 the comrade was sent by his organization to Nam Ky [South Vietnam] to work among the workers and involve himself with the lives of poor laboring people at the Xom Chieu neighborhood in Khanh Hoi of Thu Thiem. Late in that year, he was sent to France to establish relations between the Vietnamese revolutionary organization and the French Communist Party.

"While in clandestine operations, the comrade was on several occasions arrested by the enemy and jailed at different prisons. He was once banished to Con Dao where he was inflicted with permanent injuries because of torture.

"In the 1936 Spring, thanks to the victory of the Popular Front in France, the French colonialists were forced to release the comrade. From that year onward to 1945, the comrade travelled extensively from the South to the North and vice versa to establish contact, restore, and develop many party and mass organizations. Particularly, he, together with other leading party comrades, rebuilt the Bac Ky party organization.

"During those extremely difficult years and months of the revolution—when World War II had just broken out and when the French colonialists were launching a fierce terrorism and persecution campaign which resulted in many comrades who were members of the party Central Committee being imprisoned—Comrade Hoang Quoc Viet, together with Comrade Truong Chinh and Comrade Hoang Van Thu, scrupulously and creatively implemented the thinking and instructions of Comrade Nguyen Ai Quoc and persistently maintained the party leadership, prepared and led the August 1945 General Uprising to its glorious success.

"The comrade had for many years been assigned by the party to be in charge of its civilian proselytizing activities. He was once chairman of the Confederation of Vietnamese Workers, and chairman of the Presidium of the VFF Central Committee. He left us many valuable lessons on mass motivation, on keeping the party and the people together, on relying on the people, on respecting the people's mastery, and on wholeheartedly serving the people.

"The comrade made great contributions to building the all-people great unity bloc under which the people of various ethnic minority groups, religious faiths, and social strata were united for the sake of national liberation as well as national construction and defense.

"Entrusted by the party and the state, the comrade built the system of People's Organs of Control and he himself was the first procurator of the Supreme People's Organ of Control for many years. He contributed to establishing the position, role, functions, and tasks of this completely new supreme people's organ of control in the state system from the central down to local levels.

"With his great deeds, the comrade was awarded a Gold Star Order and many other high distinctions by the party and the state. The comrade left us a bright example of an indomitable, loyal, honest, and humble revolutionary fighter who treated his comrades and compatriots with sincerity and open-mindedness. He was particularly noted for his concern for the working people and for his principled character associated with his flexibility. Though very serious, he was very tolerable. He was loved and admired by our entire party and people.

"Dear Comrade Hoang Quoc Viet: At this sad moment, we would like to share the sorrow with your family. We promised you, comrade, that we would do our utmost, together with our entire party, people, and army, to implement successfully the resolution of the Seventh Party Congress so as to bring the renovation forward and to enable it to produce greater achievements in a bid to maintain independence and freedom, to make the people prosperous and the country powerful, and to build a modern and beautiful socialist society.

"Esteemed comrade Hoang Quoc Viet: Please accept my last tribute."

Amid the sound of a dirge, Comrade Do Muoi and other leading party and state leaders observed a minute of silence to bid farewell to Comrade Hoang Quoc Viet.

Premier Issues Decision on Anticorruption Council

BK0501110093 Hanoi Voice of Vietnam Network in Vietnamese 2300 GMT 30 Dec 92

[Excerpt] On 25 December 1992, the prime minister issued Decision No. 184-TTG to establish the Central Guidance Council for the enforcement of Directive No.

01-TTG, dated 6 October 1992, dealing with the anticorruption and antismuggling struggle. [passage omitted with indistinct portions]

Issues Decision on Official Gazette

BK0501112193 Hanoi Voice of Vietnam Network in Vietnamese 2300 GMT 2 Jan 93

[Text] The prime minister of the government has just enforced decision No. 200-TTG on the publication and circulation of the official gazette of the Socialist Republic of Vietnam [SRV]. The decision says:

The official gazette of the SRV is duty-bound to publish all the documents of the National Assembly, the standing committee of the National Assembly, and the president of the state; the resolutions and decrees of the government; the decisions and directives of the prime minister; the decisions, directives, and circulars of ministers, heads of ministerial-level agencies, and heads of government agencies in charge of state management over various sectors and domains throughout the country.

The gazette will be published and circulated widely among all state agencies, mass organs, socioeconomic organizations, Armed Forces units, and the people to create favorable conditions for the enforcement and supervision of the enforcement of various laws, policies, and systems of the state.

The gazette will also be circulated widely among individuals, diplomatic organs, international organizations, and foreign economic organizations in Vietnam that may need it. Documents published in the gazette are considered as official documents.

The office of government is responsible for publishing the official gazette of the SRV. This decision, which supersedes all the previous stipulations concerning the official gazette, will become effective from the day it is enforced.

Greets New Bulgarian Premier

BK0501144193 Hanoi VNA in English 1433 GMT 5 Jan 93

[Text] Hanoi VNA Jan.5—Prime Minister Vo Van Kiet today sent a message of greetings to Mr. Liuben Berov on his election as prime minister of the Republic of Bulgaria.

The message wished the friendship and cooperation between the Vietnamese and Bulgarian governments and peoples continued consolidation and development.

Pham The Duyet Attends Peasants Congress

BK0501095993 Hanoi Vietnam Television Network in Vietnamese 1200 GMT 2 Jan 93

[Text] On 2-3 January, the Hanoi Peasants Association held its fourth congress with the attendance of Comrade Pham The Duyet, secretary of the Hanoi Party Committee and representatives of Vinh Phu, Ha Tay Peasants Associations and Hanoi departments and sectors. The congress report stated that although outer Hanoi has become smaller, peasants still constitute 50 percent of the capital's population. The positive effects of the renovation line, especially Resolution 11 of the party Political Bureau, have made outer Hanoi's economy develop comprehensively, with a better structure for its agriculture, forestry, fishing, and small industries. Average food production has increased from 220 kilograms per head in 1987 to 313 kilograms in 1992. One hectare of arable land produces 14.2 million dong worth of agricultural products a year. Vegetables and flower production areas have been formed in Tu Liem, fish in Thanh Tri, ceramics in Gia Lam, and ink and arts and crafts in Dong Anh. Peasants supply 80 percent of the vegetables, 50 percent of meat, and a great quantities of fruits to Hanoi markets. Between 5 to 20 percent of peasants families are better off economically, and the percentage of poor families have decreased from 12 in 1988 to 6.5 percent in 1992. The government also does not grant relief aid to any family.

The major duties outlined by the congress for 1993 are to improve the association structure, to attract between 80 to 85 percent of peasants to join the association, and to ask Hanoi to create favorable conditions for the marketing of local agricultural products.

Ceremony Honors Ancient King

BK0501102593 Hanoi Vietnam Television Network in Vietnamese 1200 GMT 31 Dec 92

[Text] Today, the Ministry of Culture and Information held a solemn ceremony to mark the 500th birth anniversary of King Le Thanh Tong at the Temple of Literature in Hanoi.

Attending the function were General Vo Nguyen Giap; Comrade Pham The Duyet, member of party Political Bureau and secretary of the Hanoi Party Committee; and Comrade Tran Hoan and Comrade Tran Thi Tam Dan.

King Le Thanh Tong, born as Le Tu Thanh and the fourth child of King Le Thai Tong, was born on 3 July in the Year of the Dog—1442. He was crowned as king by his court when he was 18 years old. In his 37-year reign, he demonstrated his importance and did great deeds in the cause of national restoration. Thanks to his attention to the building of various governing and legislative systems, an important political reform, the Hieu Dinh Court Regulation, was carried out in 1471. With this, many state apparatuses were consolidated and strengthened in all aspects. His highest legislative achievement was the introduction of the Le Trieu Penal Code, also known as the Hong Duc Law, a relatively perfect law with progressive elements reflecting the idea of the governance of law.

To help build and develop the country's cultural tradition, together with the compilation of various well-known books such as the Dai Viet Su Ky Toan Thu [The Complete History Book of the Dai Viet Nation] and Thien Nam Du Ha Tap [Collection of Poems Under The

Southern Sky], Le Thanh Tong promoted and personally directed a literary movement. He encouraged the use of Chu Nom [Chinese-style Vietnamese hieroglyphic script] and intensified research on the heritage of folk culture. He himself had proven Nguyen Trai's innocence and helped our people to have a better understanding of Nguyen Trai, a great man of culture whose 600th birth anniversary was celebrated by the world.

Finance Minister Says Inflation Cut to 15-16%

BK0601065993 Hanoi VNA in English 0617 GMT 6 Jan 93

[Text] Hanoi VNA Jan. 6—At a press conference held here recently Minister of Finance Ho Te said that in 1992 Vietnam acheived a major step in controlling and reducing inflation rate and overspending. In 1992 the price index on the market increased by 15-16 percent or 1.25 percent monthly, 3.15 percent less than the monthly price hike in 1991.

Budget deficit in 1992 was 62.5 percent lower than the level approved by the National Assembly, while budget revenues increased 82 percent compared with 1991.

The budget deficit in 1992 was made up by domestic and foreign loans which enabled the government to refrain from issuing more money to fill up the gap.

Minister Ho Te noted that in 1993 budget constraints will remain but the potentials to increase revenues are big. If tax and fee collection can be improved and losses for various reasons in capital construction can be reduced, inflation can be controlled and the index of price rise can be kept at around 15 percent as in 1992.

The 1993 state budget will not use loans for regular spending and will strive to repay debts by increasing revenues from the domestic economy. It will continue to give priority to economic development investment, estimated at 12-14 billion USD in the 1991-95 period and about 40 billion USD in the 1990-2000 period so that the gross domestic product (GDP) in the year 2000 may double that in 1990.

Figures Given on Trade With Japan

BK0501111993 Hanoi Voice of Vietnam in English 1000 GMT 30 Dec 92

[Excerpt] The two-way trade between Vietnam and Japan in 1992 is about 8,115 million U.S. dollars [figure as heard]. By late December, Vietnam had exported to Japan 118 million dollars, and imported 240 million dollars worth of goods. In the field of investment, by November, Japan has had 30 investment projects in Vietnam with the total capital of 205 million dollars. [passage omitted with indistinct portions]

Ho Chi Minh City-Seoul Flights To Resume

BK0501122493 Hong Kong AFP in English 1133 GMT 5 Jan 93

[Text] Hanoi, Jan 5 (AFP)—Vietnam Airline will next week begin flights on an experimental basis between Ho Chi Minh City and Seoul for the first time in 18 years, the trade union weekly LAO DONG CHU NHAT said Tuesday.

Vietnam's state-owned airline will send its first flight to the South Korean capital next Tuesday using Boeing 767-200s chartered from an Australian company, the weekly said.

The flights will continue on an experimental basis until April, an airline official said without giving any further information.

Vietnam and South Korea last month re-established diplomatic relations severed in 1975 when South Vietnam's Saigon regime, which Seoul had supported, was toppled. Flights between the two countries were suspended at the same time.

The reopening of the Ho Chi Minh City-Seoul flight is a response to the rapidly expanding trade and business ties between the two countries.

Bilateral trade reached 332 million dollars in the first 10 months of 1992, and most of South Korea's major companies have already established a presence in Vietnam.

Agricultural Production Reported Nationwide

BK0601045293 Hanoi Voice of Vietnam Network in Vietnamese 0500 GMT 31 Dec 92

[Text] As of 25 December, southern provinces had planted more than 1.32 million hectares of winter-spring rice or 83 percent of the planned area. While planting the winter-spring rice, these provinces have harvested more than 813,000 hectares of the 10th- month rice which accounted for 59 percent of the cultivated acreage or 73,000 hectares more than the corresponding period last year.

The northern provinces are harvesting the winter crops, which include corn, sweet potatoes, and soybean. This year, due to the early drought, various winter crops developed poorly and their yields were lower than those of last year.

The Ministry of Agriculture and Food Industry urged southern provinces to strive to quickly harvest the 10th-month rice crop in the next 10 days—especially in areas where harmful insects have appeared—while speeding up the winter-spring rice planting. Northern provinces should pay special attention to sowing rice seedlings, preparing rice varieties for the late spring crop, and reserving seeds for other crops. The ministry also urged localities to prepare land and improve irrigation in anticipation of the fifth- month spring rice crop.

Australia

November Trade Deficit Falls 8 Percent

BK0501070893 Melbourne Radio Australia in English 0500 GMT 5 Jan 93

[Text] Figures just out show Australia's trade position has improved slightly in seasonally adjusted terms. The current account deficit last November fell 8 percent to $1,603 million. Mark Tamhane reports it is a modest improvement on last October's figure where the deficit blew out to $1,800 million.

[Begin Tamhane recording] A 9-percent increase in exports, including a strong performance in the rural sector, was the main reason for improvement in November. Although imports were also up 3 percent, the figure was also at the low end of money market expectations and the Australian dollar hit a five-year-low of 67 US cents in early trading. It quickly recovered a third of a cent following the release of the current figure. [end recording]

Plan To Deport More Cambodians Discussed

BK0501113093 Hong Kong AFP in English 0622 GMT 5 Jan 93

[Text] Canberra, Jan 5 (AFP)—Arrangements will be made or the repatriation "as soon as practicable" of another 110 Cambodian boat people whose pleas for asylum have been rejected, Immigration Department officials said here Tuesday.

But the officials said the Cambodians might still follow the lead of compatriots in the same position who have opted to test Canberra's immigration laws in the courts.

The latest group, who arrived in Australia on three separate boats in June 1990, March 1991 and April 1991, have been informed of the decision finally rejecting their claims for refugee status.

All are presently in detention at Port Hedland in the far north of western Australia.

"The boat people will be offered resettlement assistance if they decide to return immediately, as with other Cambodian boat people who have returned to Cambodia," the department said in a statement.

The rejections, bringing to 215 the total issued since last month, follow a lengthy departmental review process.

All were offered voluntary repatriation, which includes financial assistance to help people re-estabish themselves in Cambodia, but most turned it down and lodged requests for a Federal Court review of their claims.

Injunctions have been issued preventing the department deporting any of these people pending the outcome of their court action.

Refugee Council executive director Margaret Piper said a council lawyer was in Port Hedland to explain the decisions and take instructions from the Cambodians. Piper said she had no word yet on whether people planned to appeal.

An Immigration Department spokesman said that if the Cambodians chose not to challenge the decision or if they failed in court the next stage would be deportation.

Vanuatu

Prime Minister Takes Over Foreign Affairs

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[Text] Vanuatu's Prime Minister Maxime Carlot is to take responsibility for foreign affairs matters in a reshuffle of his cabinet. Mr. Carlot has written to all government ministers saying he considered it appropriate to make certain changes in the cabinet, but giving no further details. Mr. Carlot said he was taking over all three portfolios related to foreign affairs, previously the responsibility of Foreign Minister Serge Vohor, giving the prime minister's office control of foreign affairs, immigration, and external trade. It was the first change in the cabinet since the government's formation 14 months ago. Mr. Carlot said in the same announcement that he would make a number of changes to the civil service as part of a redefinition of priorities.

New Cabinet Named

BK0601100893 Hong Kong AFP in English 0935 GMT 6 Jan 93

[Text] Port Vila, Jan 6 (AFP)—The reshuffled Vanuatu cabinet list, announced by Prime Minister Maxime Carlot on Wednesday:

President:	Fred Timakata
Prime Minister, Public Service, Media Services, Language Services, Foreign Affairs, Immigration:	
Maxime Carlot	
Justice, Culture and Women's Affairs and Deputy Prime Minister:	Sethy Regenvanu
Home Affairs:	Charlie Nako
Finance:	Willie Jimmy
Economic Affairs:	Serge Vohor
Transport, Public Works, Ports and Marine and Urban Water Supply:	Amos Bangabiti
Natural Resources:	Paul Barthelemy Telukluk
Education:	Romain Batick
Health and Rural Water Supply:	Hilda Lini
Agriculture, Livestock, Forestry and Fisheries:	Oneyn Tabi
Postal Services, Telecommunications and Meteorology:	Edward Tabisari